

STATEMENT OF ALBERT SHANKER, PRESIDENT
AMERICAN FEDERATION OF TEACHERS, AFL-CIO
BEFORE THE DEMOCRATIC PLATFORM COMMITTEE

Washington, D. C.

May 18, 1976

Mr. Chairman: The American Federation of Teachers, AFL-CIO, an organization of approximately 500,000 teachers and other employees who work in our educational system, welcomes the opportunity to appear before this committee to share with you our ideas on what the platform of the Democratic Party should contain in four major areas: (1) The federal role in funding quality elementary and secondary education; (2) in expanding vocational and post-secondary education and in the area of pre-kindergarten child development and early childhood education; (3) in providing federal assistance to help our states and localities repair the damage being inflicted by the current economic disaster brought about by the Nixon-Ford Administrations; and (4) the need for federal legislation providing collective bargaining and pension rights for teachers and other public employees.

Before dealing with these areas of concern, we want to address ourselves to an issue that has been raised by various politicians in an irresponsible manner, and that is the role of the public employee in our society and our economy. In this election year, it has become fashionable for some candidates to draw attention to themselves by attempting to discredit public employees including teachers. We have been informed that public employees are one of the major causes of many of our governmental problems because of their insatiable appetites for lavish salaries and exorbitant fringe benefits. Implications are made that the private sector could do many public jobs better

than public employees. The facts show otherwise. In almost every case, public services became public because the private sector could not provide them at reasonable costs and still make profits. As to the attacks on the compensation and fringe benefits of public employees, people working in the private sector still outstrip their public sector counterparts in wages, fringe benefits, and especially in the area of basic protections such as unemployment compensation, pension security and collective bargaining rights. Our country requires government programs to meet the needs of our citizens and public programs require the services of public employees such as teachers to make them work. Public employees provide services as vital to our economy and society as the work done in the private sector. Unwarranted attacks by people who should know better do not contribute to moving our society forward or to finding solutions to the problems we all face.

Federal aid to public education has never been adequate. Though state and local funds provide the lion's share of funding for education, federal dollars can play a key role in providing for new initiatives and meeting special needs. If we adjust for inflation, we find a steady decline in the funds the federal government provides to education from \$6.3 billion in FY 1971 to \$5.1 billion in FY 1977. Although the amounts available in numbers of dollars has increased, the effects of inflation has so eroded the purchasing power of these dollars that we are farther behind than we were eight years ago in raising the contribution of the federal government to an adequate level. Currently, the federal government provides only about 7-1/2 percent of total education expenditures. This is the result of a strategy on the part of the current Administration to shortchange education. Five vetoes of education

appropriation bills in seven fiscal years is a record that the Administration will have to answer for to the American people.

We believe that education is an area in which the federal government simply must play a leading role and that you have the opportunity to draw a plan that will speak to the needs of public education and put the Democratic Party on record as the party that stands for a quality public education for all our citizens. Right now, less than half of the eligible disadvantaged children are being served with the special aid provided under Title I of the Elementary and Secondary Education Act. Only half of our handicapped children are served by the public schools at all, and only 50 percent of our non-English-speaking children are getting the kind of education they need to enable them to function in our society.

We recommend that the Democratic Platform call for an education program to meet the following needs: first, full funding of existing categorical programs such as Title I ESEA, which provides aid to disadvantaged children, the education for all handicapped children act, and the vocational education and impact aid programs. Second, we believe that the federal government should help states which are trying to reform their financing systems. We advocate the creation of a bilingual education program designed to pay part of the costs for educational services that will reach all the non-English-speaking children in the United States and help them learn English as quickly as possible. We also believe the federal government has a role to play in picking up part of the cost of all education, not just the special needs we have already mentioned. We therefore call for the creation of a general aid program to provide a federal contribution toward the costs of educating all our children.

For almost eight years now, we have been treated to various ploys on the part of the Administration to change federal aid programs to "block

grants" or "educational revenue sharing." This shell game of shifting funds targeted to high priority expenditures into a program that does not speak to the real federal concerns in education is an example of what not to do in the education field. Categorical programs were enacted to meet pressing needs that were being ignored at the state and local level. These needs still exist. For example, only nineteen states have programs of compensatory education for the disadvantaged. Clearly the millenium has not arrived. To exchange the abandonment of federal concerns for increased "flexibility" on the local or state level is no deal at all. The need for a more flexible program should be in addition, not instead of, existing programs.

Another important area where further federal aid is needed is the field of higher education. The federal government supplies approximately 16.5 percent, according to the National Council for Education Statistics, of all funds spent on post-secondary education. While this figure is more than twice the percentage spent on elementary and secondary education, it comes nowhere near meeting the existing needs because the states have never made higher education available for all who qualify. The Democratic Party should have as its goal the availability of a higher education for all qualified students and an affirmative action plan to provide supplementary instruction for students with the potential to continue their education but who, because of their backgrounds have never obtained the necessary skills to succeed in college. Further attention should also be given to the educational needs of many of our middle-income citizens who do not qualify for aid programs directed at the poor and who do not possess the resources necessary to support one or two children in college. The present Administration's own Commissioner of Education recently resigned that post because a \$37,000 income did not provide him with enough money to put his children through

college. Although many loan programs are available for this type of student, it is unfair for a young person to complete four years of college and find themselves with \$8 or \$10 thousand worth of debt. Certainly, adjustments in our student aid policies that would eliminate this problem are possible and worthwhile. Our institutions of higher education also need help to prevent an even further skyrocketing of tuition costs. Student aid and institutional aid programs must be combined and balanced so as to bring the costs of higher education within the reach of all who want it.

The American Federation of Teachers believes that the time has come for the creation of a day care child development program run through the public schools. The need for such programs is well-known. From 1950 to 1973, the number of working women doubled--from 22 to 44 percent. The Bureau of Labor Statistics estimates that nearly 28 million children under eighteen years of age had mothers who were working or looking for work at the end of March, 1975. More than 6.5 million of these children were under age six, and obviously many were in need of care or supervision. "Windows on Day Care," a report by Mary Dublin Keyserling based on findings of the National Council of Jewish Women, adds to these estimates of children in need of care: 2-1/2 million children under six whose mothers do not work but are from families in poverty; handicapped children; children of mothers who are students or are in work-training programs; and children of families who simply want sound, educational day care.

Despite this great need, the Child Welfare League of America estimates there are, at most, only 4.3 million spaces available in child care facilities. Many of these unlicensed and most--some 77 percent--are of such inferior quality that they should not be used.

The federal government now operates at least 60 different programs which provide some percentage of funds for child development and day care programs. Since they are administered by many different agencies from the Department of Agriculture and the Small Business Administration to the Office of Child Development, the Social Rehabilitation Service and the Office of Education, these programs are diffuse, obscure and overlapping. Even more disheartening, the bulk of these federal funds support merely custodial day care, therefore providing no more than an elaborate federal babysitting service. This is now even more clearly the position of this Administration. By vetoing the child care bill that would have provided funds to the states to meet minimum health, safety and staffing standards, President Ford has told every working mother that a safe, healthful and sound day care program is more than the Administration wants for their children. This shameful veto ought to stand as an example of everything wrong with the Administration and its approach to social needs.

We would not suggest any program of early childhood services without provisions for quality standards. The very early years are a time of complex development requiring understanding by trained, certified personnel. Most states now have no educational or training requirements for day care personnel. Only seventeen states specify that the teacher must have some college education or its equivalent; nine that the teacher be a high school graduate. The remaining states have no requirements at all. In contrast, the public school system already has standards in place, or, in the very least, the mechanisms for developing them. In short, we believe that the public schools represent the only institution capable of offering universally accessible child development and day care services and of maintaining quality standards.

If we had not been so neglectful in the provision of early childhood services, perhaps we would not now be plagued with the present epidemic of school violence. Between 1970 and 1973, school homicides increased 18.5 percent, assaults on students 85.3 percent, and assaults on teachers 77.4 percent. While all of the causes of this problem are complex, immediate action must be taken.

We urge that the Democratic Party support the establishment of education programs that would provide special services for habitually disruptive students, for drug and alcohol education as well as for additional security personnel.

A major part of our recommendations for the platform have to do with the economic revitalization of state and local governments, particularly the cities. The President's veto of the Public Works Employment Act means that one of America's watershed issues, the ultimate survival of our urban centers, is a matter of no concern to the Administration. That bill contained provisions that could have greatly aided our states and localities during the current recession, the so-called anti-recession countercyclical aid program. A similar program which will both stimulate the private sector and provide support to the public sector should be part of the Democratic platform.

In addition to the creation of jobs, the Democratic Party should support other measures to help these governments get back on their feet. One of them is having the federal government take over full responsibility for welfare costs.

As the costs of public welfare programs have grown in the past decade, state government expenditures required to match federal funds for these programs have increased dramatically, imposing a sizable burden on state budgets, especially during the recent economic recession. These increases,

in turn, impose further fiscal burdens on more than 1,100 localities, primarily counties who administer welfare programs. While inequities in the proportion of program costs born by different states and in the level of payments to individuals in different states have long been cited as reasons why the federal government should take over the responsibility for all welfare costs, the great need for fiscal relief to states and localities makes this demand even more urgent.

Under the current formulas for determining state and federal shares of public welfare costs (including general and emergency assistance, AFDC and Medicaid) the portion funded by the federal government ranges from 50 percent to 85 percent. Similarly, the cost-sharing requirements that state governments place on counties vary. New York requires 23 percent local AFDC contribution, while Montana requires 2.8 percent. In addition to these discrepancies, there are major state differences in the size of welfare benefits. In fiscal 1974 the average monthly payment for a family of four on AFDC ranged from \$60 in Mississippi to \$392 in New York to \$403 in Wisconsin.

The variations in welfare benefits are greater than the variations in cost-of-living. Welfare families in the South receive about 40 percent less than those in the Northeast even after cost-of-living adjustments are made. The result is the creation of a welfare incentive for recipients to move away from states that do not provide adequate supplements and into those that do. What one state refuses to do becomes another state's burden, and only federal intervention can straighten this situation out.

The squeeze that rising welfare costs create on state and local tax funds is evident. In 1974, even before the recession peak in 1975, state and local governments spent over \$13.75 billion for welfare. Freeing this amount

for state and local use would provide needed funds for construction, education, and other social services.

Another area that should bring significant financial support to state and local governments is a program of comprehensive national health insurance financed on the federal level by a combination of general revenues and payroll taxes. Such a program would relieve the disproportionate costs of existing federal and state health programs while at the same time beginning to regulate one of our most important services--medical care. Considering how crucial such services are, it is surprising to us that the federal government has not acted before this, but the platform of the next Democratic candidate for President must call for a program such as the national health security bill currently pending in the Congress.

Another area of concern to the AFT is the need for a federal collective bargaining law. The National Labor Relations Act currently excludes the employees of any state or political subdivision thereof. Currently, twelve states have no provision for collective bargaining or even a meet-and-confer type law. The remaining thirty-eight states have some mechanism--either a law or executive order--that provides for some form of bargaining. These laws or executive orders range from well-intentioned but imperfect at best to repressive and ineffective at worst.

The AFT believes there is a strong federal interest in rationalizing this hodgepodge of state public employee labor relations legislation. State and local government is one of the fastest growing sectors in the American economy. Since 1950, employment by states, counties, cities and other local jurisdictions has risen each year, and for the period of the last twenty years, the rate of growth of state and local public employment is more than 2-1/2 times that of the economy as a whole. State and local government

spending has an even greater impact on the economy. In 1973, 11.3 million state and local government workers had a payroll of more than \$96 billion. The state and local government portion of the GNP has risen 123 percent. National income statistics also indicate the rapid growth in importance of the state and local government sector. Furthermore, every sign shows that these trends will continue. Today, more than half of all new jobs in the United States are in state and local government.

The underlying rationale for the original Wagner Act and the present NIRA is that breakdowns in labor-management relations impede commerce and are contrary to the general welfare of the nation. When these laws were enacted, disruptions of government services due to labor disputes in the public sector were minimal. Over the last twenty years, however, public employees have demanded the same collective bargaining rights as those in the private sector. Clearly, the same rationale applies in the public sector now as first applied thirty-nine years ago in the private sector, and for this reason, a federal statute governing state and local public employee labor relations is a necessity.

We urge that you adopt a plank calling for the coverage of all public employees under the existing National Labor Relations Act. This law has produced a system of labor management relations in the private sector unmatched anywhere in the world for its stability, productivity and fairness. We believe the public sector would benefit from such a law.

Bargaining is not the only issue on which public and private employees deserve the same rights and benefits. Now that the pensions of employees in the private sector are protected by the Employee Retirement Insurance Security Act, it is high time that we extend similar protection to the pensions of

public workers. Such legislation is pending before the Congress. We would hope that any federal pension law for public employees would include minimum vesting and funding standards and some form of plan termination insurance.

As the New York fiscal crisis served to illustrate, public employee pension plans are by no means free of the kinds of problems which plagued private sector plans and they are far more susceptible to manipulation by employers. Our recent experience demonstrates that the taxing power of municipal and other governmental employees is not a sufficient guarantee of the stability of public employee pension systems to warrant their exclusion from federal minimum standards. We hope that the Congress will act quickly to enact protections so that persons who have devoted their lives to public service will be able to retire in the confidence that they will receive the benefits which they have earned.

In conclusion, we believe that the federal government has a role to play in many problems that remain unsolved. A fair share of the costs of providing education for all our citizens, education and training that has made the U. S. the most prosperous and productive society the world has ever seen. Minimal protections for teachers such as the right to economic democracy through the collective bargaining process and the right to a secure retirement through a sound pension system, and leadership in the area of rebuilding our nation's urban centers, a process that must begin with federal intervention in the financing of what should be national priorities such as an adequate public assistance and health care program. This program should be part of the commitment that the Democratic candidate makes to the American people.

Finally, the most constructive action that the Democratic Party can advocate in its platform is a return to economic expansion and full employ-

ment. All of the programs that we have advocated in this testimony become possible in a society that is dedicated to productive work at decent wages for all our citizens who want to work. Full employment will produce sufficient amounts of tax revenue to fund the programs needed by our people. It will reduce the ever-increasing burden of welfare costs on state, local and federal government, and most importantly, it will turn around the "can't do" philosophy that has been fostered by this Administration.

We urge the Democratic Party to adopt a platform that advocates this type of government.

sal
opeiu#2
afl-cio