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himself for eight hours every day. As for the new President's general business perspective, the former congressman asserts that "business ought to be optimistic about Ford . . . They'll find him very receptive as long as they adhere to strict ethical standards."

Also close to Ford is Bryce Harlow, 58, Procter & Gamble's Washington vice-president for government affairs, with more than 30 years of Capitol Hill experience behind him. A former House Armed Services Committee staff director, he was also chief Congressional liaison for Presidents Eisenhower and Nixon. Harlow rejoined P&G after the 1970 elections but resurfaced last spring as a counselor to Nixon after the departure of aides H. R. Haldeman and John D. Ehrlichman. Harlow's Washington resources run long and deep, and an acquaintance says admiringly that he has "an exquisite political sense."

Another key Ford associate is Rodney W. Markley, vice-president of Ford Motor Co.'s Washington staff and a long-time Ford family friend and golf partner. He has been in Washington since 1951, when the company first opened the office, and has watched with interest his friend Jerry Ford's steady rise to power in Congress.

MIDWEST BUSINESSMAN

Markley, who has regular social contact with the Fords, sagely hints that the new President's conservative economic philosophy may grow as Ford makes the transition from "Jerry Ford" to "Mr. President." Right now, says Markley, "he'd be classified as a conservative Midwestern businessman" in outlook. "Not a big businessman," smiles Markley, "but the small-town paint and varnish store operator."

Close to Ford socially is Kim Hallamore, Lear Siegler's Washington director of government relations. He golfs with Ford and gives an annual appreciation party for Ford and associates. "This guy has thousands of friends," says Hallamore, "and no cronies."

On the West Coast, Ford also visits Leon W. Parma, 47, a former aide to Representative Bob Wilson (R-Calif.) and now a group executive for Teledyne, Inc., in San Diego. "They have a close personal relationship," says a Parma associate of her boss's ties with the President. "They golf, and for the past eight years the families have gotten together every year at Easter." This Easter, the get-together was at U.S. Ambassador to Britain Walter H. Annenberg's Sunnylands estate, near Palm Springs.

John W. Byrnes, former ranking Republican on the House Ways & Means Committee, is a Ford golfing companion and intimate friend. The conservative, 61-year-old Byrnes retired from Congress in 1972 to join the Washington office of Foley & Lardner, a Milwaukee law firm. Now he is working on transition problems for Ford, and he is expected to advise the President on tax, trade, and health insurance.

Economic advice may come from L. William Seidman, 53, a principal in the Grand Rapids (Mich.) international accounting firm of Seidman & Seidman. As a one-time adviser to Michigan Governor George Romney, he organized a task force of top CPAs to map an efficiency program for the State's fiscal affairs.

Currently, Seidman has the job of helping to organize an economic summit conference on the problems of inflation. Ford himself will preside at the session with government, labor, and industrial leaders, although it is not expected to be held until sometime after Labor Day. Beyond that, Seidman's future role with the White House is not clear. "He's not an economist, and doesn't pretend to be," remarks a friend of Seidman's. "But he is highly qualified for the task of organizing this meeting."

Seidman's firm was the auditor for Equity Funding Corp. when the scandal involving that company's insurance subsidiary broke last year. In February, 1972, S&S merged with Wolfson, Weiner, Ratoff & Lapin, the accountant for the parent Equity company, and later became accountant for the insurance subsidiary. S&S was auditing Equity's fraudulent insurance subsidiaries' 1972 records at the time the scandal broke, though a report for 1972 was never issued. Two S&S employees who came with the Wolfson, Weiner merger were among 22 persons indicted in the case. Wolfson, Weiner was named as an unindicted co-conspirator, but S&S was not.

Although a source at the U.S. Attorney's office in Los Angeles, which is prosecuting the case, says there is no indication that S&S had "any knowledge of criminal activity" in the matter, the Securities & Exchange Commission may raise questions about its supervision of the firm it acquired.

A Grand Rapids friend who has surfaced in the Ford transitional staff is Philip W. Buchen, 58, Ford's original law partner. Since 1967, he has been a partner with the Law, Buchen, Weathers, Richardson & Dutcher law firm. From 1969 to 1971, he served as an adviser to the U.S. delegation to the international telecommunications satellite consortium. Buchen is on the board of directors of several Grand Rapids companies, and also is a director of the Communications Satellite Corp.

When he was vice-president, Ford named Buchen to be executive director of the White House Domestic Council Committee on the Right of Privacy. Now he is spending his time in a cluttered Executive Office Building "transition office" and sits in on Cabinet meetings along with the President.

FEDERAL ASSISTANCE FOR CHILD CARE

Mr. MONDALE. Mr. President, the need for adequate care for the millions of children whose parents are working has increased dramatically in recent decades, and continues to grow. Consider just a couple of facts:

Today one out of every three mothers with preschool children is working, compared with only one out of eight in 1948.

Thirteen percent of all children—some 8.3 million—are living in single parent families, and 65 percent of these parents are working; yet there is only about 700,000 spaces in licensed day care centers to serve the 6 million preschool children whose mothers work.

These are some of the reasons why I and many of my colleagues in both the House and Senate, have been working for the enactment of child and family services legislation, and why we began joint House-Senate hearings recently on S. 3754 and H.R. 15882, the Child and Family Services Acts of 1974.

Mr. President, at the same time we work for more adequate Federal assistance for child care, I think it is important that we do all we can to make information available to the public about the kinds of Federal assistance that already exists. I am indebted to Mrs. Netty Podell Ottenburg, a tireless leader in the fight for adequate child care, for bringing together the material which I want to describe briefly and then insert in the RECORD.

First, I ask unanimous consent to insert at the close of my remarks a summary entitled "Taxes, Day Care Centers, and Working Mothers," prepared with the assistance of Mr. Robert Zarnock of the Internal Revenue Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MONDALE. Second, I ask unanimous consent to close my remarks with publications from the Women's Bureau of the Department of Labor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MONDALE. I am hopeful that this information will be useful to the individuals and organizations throughout the country who are interested in day care. Further information and clarification of tax deductions and other tax information can be obtained from the Internal Revenue Service. Technical assistance on how to proceed in developing day care centers in connection with industry may be obtained by applying to the Community Service Division of the Social and Rehabilitation Services Agency in the Department of Health, Education, and Welfare and also from the regional offices of the Women's Bureau of the Department of Labor.

EXHIBIT 1

TAXES, DAY CARE CENTERS AND WORKING MOTHERS

1. TAX EXEMPT STATUS OF DAY CARE CENTERS/FACTORY DAY CARE CENTERS; DEDUCTION FOR CHARITABLE CONTRIBUTIONS TO DAY CARE CENTERS

A non-profit organization formed to operate a day care center for young children of needy working parents may become a tax-exempt charitable organization even if it charges a nominal fee for its services. Typically, such organizations are not self-supporting and must depend upon public contributions for their existence. Individuals and businesses may deduct charitable contributions to a day care center recognized as a tax exempt charitable organization by the Internal Revenue Service.

Factory day care centers may also enjoy the same tax exempt advantages, even where the center is financed in part by cash and services from the company operating the factory. To be a tax-exempt charity, a factory day care center must serve a public rather than a private interest. Thus, it should be open to members of the community, rather than restricted to employees of the company. Secondly, the center should select children on the basis of objective criteria, such as the financial need of the family and the child's need for the day care program.

A day care center does not become a tax-exempt charitable organization merely by meeting these requirements. It must file an application (Form 1023) with the District Director of Internal Revenue for the district in which the organization has its principal office. Forms are available at IRS offices. In addition, Revenue Rulings 70-533 and 86-166, specifically dealing with the tax exempt status of day care centers, may also be obtained there.

2. CHILD CARE DEDUCTION FOR WORKING MOTHERS

A working mother who pays a baby-sitter to come into her home and take care of her dependent children under 15 may be entitled

to a deduction for these payments of up to \$400 a month. Amounts paid to a housekeeper, maid or cook may also be included in deductible child care expenses if those services at least partly benefit the children.

A mother who takes her children to a nursery or day care center while she goes to work may deduct the cost of such child care up to \$200 a month for one child, \$300 a month for two children or \$400 a month for three or more children.

Child care expenses may be deducted in full if your income is less than \$18,000 and a partial deduction may still be available if your income is less than \$27,600. For more details, see IRS Publication 503, "Child Care and Disabled Dependent Care." It's available free from IRS offices.

3. RAPID AMORTIZATION OF CHILD CARE FACILITY EXPENDITURES

Recent tax legislation—the Revenue Act of 1971—permits employers to write off ratably over a period of 60 months capital expenditures incurred in acquiring, constructing, reconstructing, or rehabilitating child care facilities. The child care facilities must be used primarily for the children of employees of the company.

IRS regulations on this new provision of the law have not yet been issued, but the Senate Finance Committee's explanation suggests that the deduction applies to buildings and equipment actually used to provide child care services, rooms, play equipment and materials particularly suited to the needs of children being cared for during the day, kitchen facilities connected to the child care area and special children's toilet facilities. The Committee report also said that the deduction would not apply to capital expenditures in connection with general purpose rooms used for many purposes.

This provision of the law applies only to expenditures made after December 31, 1971, and before January 1, 1977.

EXHIBIT 2

[From the U.S. Department of Labor, Employment Standards Administration, Women's Bureau]

DAY CARE: AN EMPLOYER'S PLUS

As our economy continues to utilize its womanpower, as more women express interest in training or seeking employment, and as our Nation grows more concerned with the development of its children, increasing attention is being focused on the lack of adequate day care services for children.

Among the 32.9 million women in the labor force in March 1972, there were 12.7 million mothers with children under 18 years of age. About 4.4 million of these mothers had children under 6 years. While several million children need day care services, it is estimated that day care in licensed centers and family homes is available for only about 903,000 children.

To meet the need for more child care services there must be cooperative effort from all sectors of our economy, including private organizations, businesses, and government agencies at all levels. Some industry and labor representatives have made a start toward providing these services, but the active participation of many more is required if we are to meet present and future needs. Day care services should be considered along with other workplace standards in collective bargaining agreements. It is important also for communities to survey their day care needs and work toward improving their situation.

Employers who have initiated day care programs have found it advantageous to do so. In a survey of hospitals, discussed in the Women's Bureau publication "Child Care Services Provided by Hospitals," it was found

that the availability of such programs was helpful in retaining as well as recruiting nursing personnel, resident doctors, and other health workers. Additional advantages included the opportunity for some personnel to work full time instead of part time or to work overtime, the facilitation of shift rotation, and a reduction in absenteeism. Almost 90 percent of the hospitals felt that some of their staff would resign if services were discontinued.

Similarly, several other employers, as mentioned in the Women's Bureau bulletin, "Day Care Services: Industry's Involvement," reported that recruitment of personnel was easier and absenteeism and turnover rates were reduced when child care services were offered.

There are a number of ways in which employers and unions have become involved in day care. Some operate centers on or near their worksites, others have served as catalysts in their community to establish such programs or have made financial commitments to community-focused day care, and still others have assisted their employees in finding suitable arrangements. Also, there are those who have granted vouchers to employees to purchase day care; contracted with existing centers for a specified number of day care spaces; joined in a day care consortium with other employers, universities, or private organizations; and participated in an industrial park development.

A major goal of the Women's Bureau is to promote improvement and expansion of day care facilities. Toward this end, the Bureau has prepared and distributed several publications, including "Day Care Facts," "Federal Funds for Day Care Projects," "Child Care Services Provided by Hospitals," and "Day Care Services: Industry's Involvement."

For further information, write to the Women's Bureau, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210, or contact the Women's Bureau Regional Director in your area.

Region I (Boston): Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.

Women's Bureau Regional Director, U.S. Department of Labor, John F. Kennedy Federal Building, 1612-C Government Center, Boston, Mass. 02203. Area Code 617-223-5565.

Region II (New York): New Jersey, New York, Puerto Rico, Virgin Islands.

Mrs. Mary E. Tobin, Women's Bureau Regional Director, U.S. Department of Labor, 1515 Broadway, New York, N.Y. 10036. Area Code 212-971-5451.

Region III (Philadelphia): Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia.

Mrs. Margaretta Seay Bell, Women's Bureau Regional Director, U.S. Department of Labor, 15th Floor—Gateway Building, 3535 Market Street, Philadelphia, Pa. 19104. Area Code 215-597-1183.

Region IV: (Atlanta): Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee.

Mrs. Joan F. Green, Women's Bureau Regional Director, U.S. Department of Labor, 1371 Peachtree Street NE, Atlanta, Ga. 30309. Area Code 404-526-5461.

Region V: (Chicago): Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin.

Miss Mary C. Manning, Women's Bureau Regional Director, U.S. Department of Labor, 732 Everett McKinley Dirksen Building, Chicago, Ill. 60604. Area Code 312-353-6985.

Region VI: (Dallas): Arkansas, Louisiana, New Mexico, Oklahoma, Texas.

Miss Rhobia C. Taylor, Women's Bureau Regional Director, U.S. Department of Labor, Federal Building, U.S. Courthouse, Dallas, Tex. 75202. Area Code 214-749-2568.

Region VII: (Kansas City): Iowa, Kansas, Missouri, Nebraska.

Women's Bureau Regional Director, U.S. Department of Labor, 911 Walnut Street, Kansas City, Mo. 64106. Area Code 816-374-5383.

Region VIII: (Denver): Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming.

Mrs. Lionilla L. Saenz, Women's Bureau Regional Director, U.S. Department of Labor, 244 New Custom House, Denver, Colo. 80202. Area Code 303-837-4138.

Region IX: (San Francisco): Arizona, California, Hawaii, Nevada.

Mrs. Madeline H. Mixer, Women's Bureau Regional Director, U.S. Department of Labor, 450 Golden Gate Avenue, San Francisco, Calif. 94102. Area Code 415-556-2377.

Region X: (Seattle): Alaska, Idaho, Oregon, Washington.

Mrs. Lazelle Johnson, Women's Bureau Regional Director, U.S. Department of Labor, 2015 Smith Tower, Seattle, Wash. 98104. Area Code 206-442-1534.

DAY CARE FACTS

FOREWORD

For many years the Women's Bureau has been advocating that more child care facilities be made available for all who need them. We continue to work toward closing the gap between need and availability. In this connection, we have used various promotional means—sponsored day care conferences, published day care materials, addressed industry-sponsored meetings—to make the problem more visible.

While a major reason many children need day care services is employment of their mothers, other imperative reasons include illness or death of the mother, mental or physical handicaps, emotional disturbances, poor family relationships, and inadequate living conditions which do not provide a place for play or adult supervision after school.

The need for child care will continue to increase in the decade ahead because of:

A growing number of children aged 5 and younger; the accelerating trend in employment of mothers; increased emphasis on providing child care services for welfare mothers who desire work; widespread awareness that a child's early years are of crucial importance to his or her future.

We have updated "Day Care Facts" to highlight the need, as well as review some existing programs, public and private. It is hoped that this pamphlet will encourage many more individuals and groups to join in our efforts to meet the great need for day care for children of working mothers and all others who can benefit from such programs.

DAY CARE NEED

Working mothers and their children

The employment of mothers, like the employment of all women, has been rising for several decades. This expansion is expected to continue, and as a result, the need for child care services will increase.

From 1940 to March 1972 the number of women in the labor force more than doubled—from 13.8 million to 32.9 million. However, the number of working mothers increased more than eightfold—from 1.5 million to 12.7 million. In March 1972, 12.7 million mothers with children under 18 years of age were working or seeking work. Of these mothers, 4.4 million, or about 1 out of 3, had children under age 6. More than 4 out of 10 mothers who had children under 18 years were in the labor force as compared with 3 out of 10 in 1960 and less than 1 out of 10 in 1940. Projections for 1985 indicate that 6.6 million mothers aged 20 to 44 with children under age 5 will be in the labor force.

This will represent a 32-percent increase between 1975 and 1985.

The number of children with mothers in the labor force increased sharply during the last decade. Nearly 26 million children under 18 years old had mothers who were working or looking for work in March 1972. More than 5.5 million of these children were under 6 years old. In 1960, 15.7 million children under 18 had working mothers, and about 4 million of these children were under age 6.

Child care arrangements made by working mothers

To determine the extent of the need for child care, in 1965 the Women's Bureau of the Department of Labor and the Children's Bureau of the Department of Health, Education, and Welfare (HEW) cosponsored a national survey of child care arrangements made by mothers who worked 27 weeks or more, either part time or full time, in 1964 and who had at least one child under 14 years of age living at home.¹ These 6.3 million mothers had a total of 12.3 million children under 14 years; of the children, 3.8 million were under 6 years.

Almost half of the preschool children were cared for in their homes; not quite a third, in someone else's home; a little more than 5 percent, in group care centers; and the remainder, under other arrangements. Some were cared for by their mother while she worked; others—"latchkey children"—cared for themselves.

The proportion of children who looked after themselves was considerably larger among those of school age than among preschoolers, while the larger proportion of those cared for in group care centers was made up of preschool youngsters. Almost all of the children whose mothers worked only during school hours were of school age.

A project sponsored by the Child Welfare League of America was designed to learn about the general public's attitude toward day care and about the status of organized day care facilities. The report of the project also discusses types of arrangements made for the care of children under 12 years of age while their mothers worked.²

Twenty-three percent of the arrangements were for in-home care by the father; 12 percent, for in-home care by siblings; and 17 percent, for in-home care by other relatives, mostly grandmothers. The other 21 percent of arrangements for in-home care included 7 percent where the children looked after themselves. Out-of-home arrangements included care by relatives (12 percent) and by neighbors, friends, or babysitters (11 percent). Only 3 percent of arrangements were for care at a center or group facility.

Capacity of facilities—spaces

According to the latest estimates, care in licensed centers and family homes is available for only about 905,000 children.³ It is estimated that several million children need this service.

FEDERAL SUPPORT FOR DAY CARE

Legislation authorizing Federal funds for day care⁴

A major advance in Federal child welfare legislation was made by the 1962 Social Security Act amendments, which authorized Federal grants-in-aid to State public welfare agencies for day care services. This stimulated the States to improve standards for day care facilities and to develop broader day care plans.

The 1967 amendments to the Social Security Act authorized the Work Incentive Program, a comprehensive program of manpower and social services. The law provides that persons on welfare rolls be trained for

permanent jobs at decent pay and that child care services must be furnished trainees. Regulations issued by the Social and Rehabilitation Service of HEW require such services to be maintained until trainees are reasonably able to make other satisfactory child care arrangements.

Another provision of the 1967 amendments authorized grants for special projects to train personnel for work in the field of child welfare, including day care.

The Economic Opportunity Act of 1964 authorized grants for the development, conduct, and administration of day care projects within community action programs. The largest single program developed under the act is Head Start, which provides day care for disadvantaged children. In addition, funds may be used for day care of children of migratory and seasonal farmworkers, for work training and employment programs relating to day care in highly concentrated low-income urban areas, and for work training programs which include day care as a supportive service. Grants may be used to train young men and women as day care workers or aides. Economic opportunity loans to establish a day care center are available to eligible persons or to small business concerns in areas where there are many unemployed or low-income persons.

Under the Elementary and Secondary Education Act of 1965, funds may be made available for day care programs for educationally deprived children in areas that have high concentrations of children from low-income families, including children of migrant farmworkers. Funds may be used for research, surveys, and demonstrations relating to day care centers.

The Vocational Education Act of 1963 authorized funds to provide training in occupations involving knowledge and skills in home economics subjects. This may include training of aides and assistants to directors of day care centers.

The Education Professions Development Act authorized funds for training and retraining personnel who serve youngsters in preschool programs, day care centers, kindergartens, and in the early years of elementary school. Funds have been made available to train staff for selected Follow Through⁵ programs and for day care centers in pilot 4-C communities.⁶

Some programs under the Manpower Development and Training Act authorize either training in day care occupations or provisions of day care as a supportive service for training or both of these.

Several other acts authorize Federal aid for various programs relating to day care. Such programs include nursing services and other health services for migrant children in day care centers; research and training programs for persons whose roles or functions may be related to mental health; continuing education in mental health for child care workers; and grants for staffing community mental health center facilities (a child care center may be part of a mental health center). Business loans, economic opportunity loans, and lease guarantee insurance programs are available to operators of day care centers. Further, there are lunch, breakfast, and milk and special food service programs designed to safeguard the health and well-being of children, including those in day care centers.

In addition, there are a few laws which relate to funds for day care facility construction. One, administered by the National Institute of Mental Health of HEW, authorizes grants for construction, initial equipment, renovation, or acquisition of community mental health center facilities (as noted above, a child care center may be part of a mental health center). Other laws relating to construction are administered by the De-

partment of Housing and Urban Development. Among the programs authorized by such laws are: the Neighborhood Facilities Grant Program, under which financial and technical assistance may be provided for the development of centers to house health, recreation, social, and other community services and activities for low- and moderate-income persons (day care centers may be included, providing that they are housed in multipurpose facilities); the Indoor Community Facilities Program, under which loans may be provided to local housing authorities for construction or acquisition of low-rent housing, including community facilities where space may be designated for a day care center; and the Model Cities Program, under which day care projects may be part of a program financed from supplemental funds.

Legislation regarding private funds

A 1969 amendment to the Labor-Management Relations Act of 1947 permits employer contributions to trust funds for the establishment of child care centers for preschool and school-age dependents of employees.

Legislation Regarding Income Tax Deductions

The Revenue Act of 1971 liberalized child care deductions, effective January 1, 1972.

Deductions for individuals

Expenses for child care may be deducted up to \$200 a month for one child, \$300 for two children, and \$400 for three or more children. If the adjusted gross income of the couple or individual exceeds \$18,000, the deduction is reduced 50 cents for each \$1 of added income. In effect, those with adjusted gross incomes of \$27,600 and over would not benefit. Married couples may claim the deduction only if both are gainfully employed on a full-time basis (unless a parent is physically or mentally incapable of self-care) and if they file a joint return. No deduction may be made for payments to family members and relatives or other dependents living in the home of the taxpayer. Qualifying taxpayers may take the deduction only if they itemize expenses. The deduction is a "personal" expense.

Deductions for businesses

A business may deduct, proportionately over a 5-year period, the expense of acquiring, constructing, reconstructing, or rehabilitating property for use as a child care facility primarily for employees' children. Such amortization must be for tangible property which is of a character that would otherwise be subject to depreciation. The provision applies to buildings and equipment, or portions of them, actually used for child care services; that is, facilities in which children receive such personal care, protection, and supervision in the absence of their parents as may be required to meet their needs.

The provision applies to a room or rooms and play equipment or materials particularly suited to the needs of children being cared for during the day. It does not apply to general purpose rooms used for other purposes; for example, as an employee recreation center during the evening. Nor does it apply to a room or part of a room which is simply screened off for use by children during the day. Features such as kitchen facilities connected to the child care area or children's special toilet facilities could be included within the provision of the law.

The deduction is permitted for expenditures made between January 1, 1972, and January 1, 1977. Congress plans to evaluate the effectiveness of the provision during this 5-year period.

Footnotes at end of article.

Federal panel on early childhood

The Federal Panel on Early Childhood was established in 1968 by the Secretary of HEW, at the request of the White House, as a first step to improve and expand all early childhood programs financed by Federal funds. The Panel includes representatives from HEW and other Federal agencies that are concerned with services to families and children—the Departments of Labor, Agriculture, Commerce, Interior, Defense, and Housing and Urban Development, and the Office of Economic Opportunity—as well as the Office of Management and Budget.

The primary function of the Panel is to develop plans for the most effective use of operating, research, training, and technical assistance funds, available to each of the Departments and agencies, in ways which will strengthen every program.

One of the Panel's first priorities was the development of Federal Interagency Day Care Requirements.⁷ These standards, which apply to all major federally assisted day care programs, establish minimum requirements for facilities; educational, social, health, and nutritional services; staff training; parent involvement; administration; coordination; and evaluation.

In addition, the Panel drew up a plan to coordinate all programs that provide services to children and their families at all levels of operation. This Community Coordinated Child Care (4-C) Program is administered by the Office of Child Development of HEW. It is an effort through which local public and private agencies interested in day care and preschool programs develop procedures for cooperating with one another on program services, staff development, and administrative activities. It involves combining available resources and establishing a suitable coordinating group, such as a council, agency, or committee.

The coordinating mechanism at the Federal level is the Panel's 4-C Standing Committee. The regional counterpart is the Federal Regional 4-C Committee (FRC). There are 4-C councils at the State and local levels.

FRC's are in operation in the 10 HEW regions. In early 1972 there were 34 State 4-C councils and 271 local councils.

DAY CARE PROGRAMS DIRECTLY CONNECTED WITH EMPLOYMENT

Centers operated by employers

Federal Agencies: A few Federal agencies have established day care centers for their employees' children; other agencies are either investigating the feasibility of establishing a center or are in varying stages of planning. (See page 12 for centers operated by organization of Federal employees.)

In October 1968 the *Department of Labor* opened a day care center for 30 preschool children of its employees in the Washington, D.C., area. Within a few months, enrollment reached capacity. Half of the children were selected from new employees who could not accept employment unless low-cost child care were available, and half were selected from other Department employees at various grade levels.

The project, operated by the nonprofit National Capital Area Day Care Association, is funded in part by the Department under authority of title I of the Manpower Development and Training Act for experimental, developmental, demonstration, and pilot projects. In the first year of operation, employees paid a sliding fee for the service, ranging from \$1 a week for families with annual incomes of less than \$4,000 to \$25 a week for those with incomes of more than \$15,000. The second contract, which ran from

October 1969 to December 1970, authorized enrollment for up to 60 children and lowered the age at which children were accepted from 2½ to 1½ years. Fees ranged from \$1 a week for families with annual incomes of less than \$4,000 to \$30 a week for those with incomes of more than \$17,000.

The third contract, for the 1971 calendar year, required the operator to continue to offer a quality education program. Enrollment was still authorized for 60 children, with a minimum age of 1½ years. Some services were provided only as needed, and staff was increased. Fees ranged from \$1 a week for families with annual incomes of less than \$4,000 to \$25 a week for those with incomes of more than \$17,000. The contract ending December 1972 called for the same services and fees as the preceding contract. Data on the 1973 contract were not available when this pamphlet was prepared.

The *Social and Rehabilitation Service* of HEW opened a child care center for its employees' children in February 1971. The center is funded through an experimental and demonstration grant. Its purpose is to demonstrate ways in which public welfare can expand child care services for children of low-income groups. The project will demonstrate adequate care at minimum cost. The center has a capacity of 60 children 2 to 5 years old. Parents pay on a sliding scale from \$1 to \$30 a week per child. It is operated by the Thiokol Chemical Corporation under a research contract.

The *Office of Education* of HEW opened its "National Demonstration Center in Early Childhood Education," a model child care center, in June 1971. Capacity of the center is 40 children aged 1½ to 3 years. It is financed by the Office of Education with grant assistance from the Ford Foundation. Parents pay on a sliding basis. The onsite model enables the Office of Education to demonstrate various innovative methods. These include new curricular materials, new strategies in training staff, and new concepts in teaching. In addition, the model strengthens the Office's position to encourage State and local governments and private employers to operate similar centers. The children's parents and Office of Education specialists in the Early Childhood Section are required to spend at least 1 day a month as adult aides in the facility. The parents who work with the children are not charged leave. It is operated by the Institute for Advancement of Urban Education.

The *Office of Economic Opportunity* (OEO) opened its center in March 1972. The center is funded through the agency's research and demonstration authority, and is operated by Edifax, Inc., under contract. Its purpose is to demonstrate the feasibility of employer-provided day care. The center has a capacity of 60 children 2 to 6 years old. Besides the children of OEO employees, enrollment includes children of employees of other Federal agencies. Parents pay on a sliding scale from \$17 to \$130 a month per child.

Business and industries

Several day care centers operated by industries for their employees' children are discussed in a Women's Bureau bulletin.⁸ Of the 11 companies listed in that publication, eight are still operating their centers: Avco Economic Systems,⁹ Dorchester, Mass.; Control Data Corp., Minneapolis, Minn.; Curlee Clothing Co., Mayfield, Ky.; Mr. Apparel, Inc., High Point, N.C.; Skyland Textile Co., Morgantown, N.C.; Tyson Foods, Inc., Springdale, Ark.; and Vanderbilt Shirt Factory, Asheville, N.C. In addition, centers were opened in 1971 by the Chesapeake and Potomac (C&P) Telephone Co., Washington, D.C.; Jefferson Mills, Williamston, N.C.; Ohio Bell Co. and Western Electric Corp., Columbus, Ohio (one center established for

children of employees of both companies); and Stride-Rite Co., Boston, Mass. This year the Joshua Tree Manufacturing Co. of Gardena, Calif., and the Security National Bank of Walnut Creek, Calif., opened centers.

All the companies except Curlee charge fees. Seven—Avco, Jefferson Mills, Mr. Apparel, Security National Bank, Skyland, Stride-Rite, and Vanderbilt—enroll some children of nonemployees.

Eight of the centers have capacities of 50 or less. Capacities of the other centers are: Jefferson Mills, 60; Avco, 65; C&P and Control Data, 100 each; and Skyland, 118.

Hospitals

A mail survey conducted in April 1968 by the Women's Bureau showed that 98 hospitals were operating child care centers for their health personnel.¹⁰ Fifty of the hospitals were in the South; 27, in the North Central States; 11, in the Northeast; and nine, in the West. (The remaining one did not identify its location.) Of those responding to a question on number of years in operation, 56 hospitals had established their centers within the past 6 years, and 16 within the last year. Nine had operated their centers for 15 years or longer.

About 2,550 parents used these services for almost 3,200 of their children. More than 60 percent of the parents were nurses. Other health personnel using the services included doctors, dentists, anesthetists, nurses' aides, orderlies, and laboratory technicians. Sixty-seven percent of the centers were in operation 6 or 7 days a week. More than 90 percent of the child care programs were subsidized by the hospitals; although the centers charged fees.

It is possible that some hospitals may have closed their day care centers since the survey. On the other hand, the Bureau has learned that about 20 others have opened centers for the children of their health personnel.

Educational institutions

From a 1971 sample survey of 310 senior coeducational colleges and universities, it was found that there were 100 institutions operating 90 day care programs. The study has not been completed.¹¹

An example of what colleges are doing is the center opened in January 1969 by the Federal City College in Washington, D.C., for children of faculty, students, and community residents. The Division of Education pays for salaries, "hard" equipment, and transportation, while tuition—about \$8 to \$12.50 a week—covers rent, food, and some supplies for the "Early Childhood Learning Center." (Federal City also offers babysitting services for 3- to 6-year-olds in its library's Media Center, where the children can take advantage of the college's audiovisual resources while their parents study.)

Other

The *National Education Association* in Washington, D.C., provides day care services for its employees' children under a contract with the National Capital Area Day Care Association. The experimental child care center was opened March 1971 for toddlers between the ages of 18 and 36 months. The children are younger than are normally found in child care centers. Twelve children are enrolled. Emphasis is placed upon each child's development—intellectual, social, emotional, and physical. The center is intended to serve as a model for other organizations, as a teaching-learning laboratory for nearby colleges, and as a center for educational research. (After this publication was prepared, it was announced that the center is being phased out due to lack of funds.)

Vouchers for child care

In January 1971, *Polaroid Corp.* of Cambridge, Mass., contracted with several li-

Footnotes at end of article.

censed day care centers for slots for their employees' children. In November 1972, there were 27 children enrolled. Parents pay on a sliding scale—\$5 to \$45 a week—based on total family income, and the company subsidizes the rest.

A similar plan was instituted in February 1972 by the *Ford Foundation* in New York. Under its plan of providing child care allowances for its employees' children, parents make their own child care arrangements. The allowance ranges from \$5 a week to \$15 a week, depending upon the family's gross annual income and the age group of the child. No allowance is made if the family's gross income exceeds \$20,000.

To encourage parents to enroll their children in licensed day care centers with educational programs, the Foundation offers an additional \$5 allowance over the originally established amounts.

Assisting employees to find day care

The *Illinois Bell Telephone Co.* in Chicago has three personal representatives who assist employees in finding the kind of day care arrangements they require. The company encourages and assists local citizens to apply for the State foster day care license, maintains information on day care facilities in the city, and consults with the suppliers of the service.

Centers Operated by Unions and Employee Organizations

The Baltimore Regional Joint Board of the Amalgamated Clothing Workers of America opened its first child health care center in September 1968 in Verona, Va. In the latter part of 1969, it opened a second center in Baltimore, Md. The Chambersburg and Hanover, Pa., centers opened in September and October of 1970, respectively, and the McConellsburg, Pa., center opened in July 1971. These centers are financed primarily by employer contributions to the health and welfare funds administered by both the union and the men's clothing industry. Mothers, who are the prime users, pay a small fee. In addition to health services, the centers offer social, nutritional, and educational services.

The first union-operated child care center in Chicago was opened in March 1970 by the Chicago Regional Joint Board of the Amalgamated Clothing Workers of America. It is a pilot project offering free service to parents. The center is located near the union office building. It is financed by the Amalgamated Social Benefits Association fund, which is employer contributed and union administered. Services similar to those offered at the Baltimore Regional Joint Board centers are provided. The board plans several more centers in the Chicago area.

The United Federation of Teachers in New York City, as a result of its negotiations with the New York City Board of Education, has set up 20 centers within its early childhood preschool center program. The program calls for 50 centers designed to provide care and education to children of teachers returning to teach in poverty area schools and to children of residents in the community. At least 50 percent of the children must be from families whose income falls below the poverty line as defined for eligibility for free lunches.

Federal Employee Organizations

In May 1968 a child care center with a capacity of 19 children was opened at the Plant Industry Station, Department of Agriculture Research Center, Beltsville, Md. It is operated under the sponsorship of two employee organizations—Plant Industry Station Employees' Association and Agricul-

tural Research Employees' Association. Parents pay the operating costs through fixed weekly and daily fees.

A nonprofit group organized by employees of the San Francisco Payment Center of the Social Security Administration (SSA) of HEW opened a day care center in March 1971. The center, which is located in Oakland, has a capacity of 30 children and accommodates both the children of SSA employees and children from the community. The fee for employees' children is \$75 a month; for community children, \$90.

The success of this program (evidenced by a long waiting list) led to the opening of a second center in Richmond, Calif., on January 31, 1972. Capacity is 35. The fees are basically the same as at the Oakland center.

OTHER ACTIVITIES DIRECTED TOWARD MEETING DAY CARE NEEDS

Business' response to community needs

Through the leadership effort of Whirlpool Corp., a group of about 25 industries in the Benton Harbor-St. Joseph, Mich., area organized a committee to establish a day care center. Whirlpool contributed the expertise of its several departments, including research, law, insurance, and public relations, to set up the center that opened in September 1969. Funds for land purchase, construction, equipment, and instructional materials were provided by private contributions.

Pepsico, Inc., as a direct service to a community, awarded a grant of \$25,000 to the Day Care Council of Westchester County, N.Y., to help expand existing day care operations.

Special commitments by financial institutions

Citibank of New York issues conventional interim, short-term loans for construction of child care facilities in the city. Upon completion the facilities are leased to the city, which hires the staff and makes the services available to the neighborhood. In addition, the bank is going outside traditional banking practices by lending money to community groups for renovating neighborhood sites to help meet day care needs.

Bankers Trust Co. of New York assists in the expansion of child care services by providing funds both to private developers and to nonprofit operating groups for the construction of day care facilities. Special loans to nonprofit groups including some that had been refused by other banks enabled fledgling centers to make renovations or purchase equipment necessary to qualify for city funding. The bank helps its employees find licensed centers to suit specific needs and engages in programs designed to increase public and employee awareness of child care.

Chase Manhattan Bank of New York funds programs for constructing and renovating centers. The bank is concerned with community nonprofit groups.

The Hyde Park Bank and Trust Co. in Chicago finances both profit and nonprofit organizations that operate centers serving low- and middle-income neighborhoods.

The Urban Activities Committee of the New York Life Insurance Co. has adopted child care assistance as a major area of concentration. Mortgage loans have been committed to finance the construction of seven new child care centers (four in New York City, two in Chicago, and one in Pontiac, Mich.). Also, through a grant to a nonprofit organization, a revolving loan fund has disbursed seed money to assist four additional centers in New York City.

Promotional efforts by women's organizations

Several women's organizations have been involved in day care projects for many years and recently have made great strides in their nationwide efforts to establish more day care

centers. Among these groups is the National Council of Negro Women, which has worked with the Department of Housing and Urban Development (HUD) to create and develop "Turnkey III" and "Turnkey IV," an innovative housing program of home ownership opportunities for low-income families. The Council encourages HUD to build within any development area a community facility which can also house a day care center.

Also, the National Council of Jewish Women has made a commitment to place special emphasis on day care both nationally and locally. About 130 local chapters are involved in day care programs ranging from running day care centers themselves to cooperating with other groups. These centers are in housing projects, churches, hospitals, universities, schools, and other places; and most are cosponsored with community groups. Council volunteers have mobilized community support for day care planning and action. They have assumed responsibility for demonstrating need, convincing local authorities, and locating funds, and are engaged in numerous innovative programs in the day care field. They have conducted a nationwide survey of day care centers and issued a report¹² based on those findings.

The Black Women's Community Development Foundation has established the Black Child Development Institute. One of the objectives of the Institute is to develop a technical assistance model for helping black community organizations in their efforts to set up comprehensive child development programs. The staff assist community groups through workshops, handbooks, conferences, and films. They also monitor governmental policies and programs, and distribute information on child welfare.

For many years the Young Women's Christian Association (YWCA) provided child care services for part of the day to mothers participating in its program activities. Then in response to many requests, a few local YWCA's loaned their facilities and, occasionally, sponsored a day care program as a demonstration project. More recently, local units have been cooperating with government agencies in providing child care services. For example, a "Y" care center in San Francisco matches the Federal funds it receives through the San Francisco Department of Social Services; the "Y" in Aurora, Ill., operates a center under contract with the State.

Other promotional efforts

The Metropolitan Life Insurance Co. has issued "Industry's Share in Day Care" and "Day Care, What and Why." The first of these promotional booklets outlines industry's role in helping to accelerate the development of more day care programs. The second summarizes the features necessary for a good program and describes briefly the different kinds of programs.

The Bank of America National Trust and Savings Association of San Francisco has devoted an issue of its "Small Business Reporter" to advising prospective operators of day nurseries on the necessary steps to follow in establishing such businesses.

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List of Publications, Washington, September 1972 (bimonthly supplements to be issued).

Maryland Department of Health and Mental Hygiene, Preventive Medicine Administration, Maternal and Child Health Services, Choosing Child Day Care: A Guide for Choosing Child Care in a Part-Day or Full-Day Center.

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FOOTNOTES

¹ U.S. Department of Health, Education, and Welfare, Social and Rehabilitation Service, Children's Bureau, and U.S. Department of Labor, Wage and Labor Standards Administration, Women's Bureau. Child Care Arrangements of Working Mothers in the United States. Seth Low and Pearl G. Spindler. Children's Bureau Pub. No. 461-1968.

² Child Welfare League of America. Child Care and Working Mothers: A Study of Arrangements Made for Daytime Care of Children. Florence A. Ruderman. New York, 1968.

³ March 1971 preliminary data from the U.S. Department of Health, Education, and Welfare.

⁴ Further details are in Federal Funds for Day Care Projects, Pamphlet 14, published by the Women's Bureau, Employment Standards Administration, U.S. Department of Labor, 1972.

⁵ Follow Through is designed to extend and supplement the gains made by deprived children who have participated in Head Start or similar preschool training, by continuing their participation in a program of comprehensive instructional, health, nutritional, psychological, social work, and parent involvement services. It may serve children in kindergarten and the early elementary grades.

⁶ See page 7 for 4-C Program summary.

⁷ These are being revised.

⁸ U.S. Department of Labor, Workplace Standards Administration, Women's Bureau. Day Care Services: Industry's Involvement. Bull. 296. 1971.

⁹ Center now called Cristus Attucks Children's Center.

¹⁰ U.S. Department of Labor, Wage and Labor Standards Administration, Women's Bureau. Child Care Services Provided by Hospitals. Bull. 295. 1970.

¹¹ Further information may be obtained from Associate Professor Bernard Greenblatt, School of Social Policy and Community Services, State University of New York, Buffalo. New York 14214.

¹² National Council of Jewish Women. Windings on Day Care: A Report Based on Findings of the National Council of Jewish Women. Mary Dublin Keyserling. New York, 1972.

STRIP MINING IN ARIZONA

Mr. FANNIN. Mr. President, we have engaged in many discussions recently about the value of strip mining and its effect on people and the environment. It has been my contention that strip mining is necessary and it can be conducted in a manner which is not detrimental to the environment.

In Arizona we have a prime example of how such mining can provide jobs and how proper steps can be taken to restore and preserve the land.

On August 8, 1974, a member of my staff, Richard Thomas, toured the Peabody Coal Mines at Black Mesa on the joint use area of the Hopi-Navajo land in northeastern Arizona. In a memorandum to me, Mr. Thomas reports:

After touring the facility and inspecting it thoroughly from the ground and air, I wish to report that the company is doing an outstanding job of providing coal for electrical power generating plants at Page and near Bullhead City while also protecting the environment and providing high-paying jobs for Navajos.

On the latter point, the Black Mesa and Kayenta mines employ 204 Navajos who earn the United Mine Workers' pay scale of between \$41 and \$50 per day for a 7½ hour day. Actually, some of the Indian employees earned as much as \$18,000 last year with overtime. One Navajo employed by the coal company had never earned more than \$600 annually prior to the opening of the mine.

Mr. President, Mr. Thomas found that the efforts to blend the facilities in with the terrain and the work to restore the mined land were extremely effective. Mr. Thomas described it this way:

From the air it would be very easy to completely overlook the mines, pipeline facility, conveyor belt, and rail loading operation. The two mines are 30 miles from Kayenta, and 15 miles off U.S. 160. The road back to the mines was constructed by the coal company.

I inspected areas where coal had been removed and the overburden has been replaced. I don't believe anyone could tell the mined area from the undisturbed adjacent natural terrain. The coal company is experimenting with 10 varieties of grass, and is in the process of fencing the areas because the Navajos had allowed sheep to graze on earlier plantings before the grass could get a good start.

Without going into detail or citing statistics, I would say that the entire operation is a model of efficiency, combining the best of automated equipment and human resources.

Mr. President, this is an area where the land has been badly overgrazed in the past. It is an area where the Indians have been subsisting on very small incomes. There were forecasts when the mining began that the land would be ruined and made uninhabitable. It appears to me that just the opposite has happened. Indians who were locked into poverty in the past now have the opportunity to earn middle class wages. The land is yielding the coal which our country needs, and it is being restored to a condition that is as good as—perhaps better—than before.

Mr. President, I have argued that it is possible for us to utilize the rich resources of this country and at the same time preserve the environment. It appears to me that this is being proven on the Black Mesa.

THE CIA AND ITS INVOLVEMENT WITH FOREIGN GOVERNMENTS

Mr. ABOUREZK. Mr. President, in the August 19 Washington Post, Mr. Jack Anderson in his column reported the opposition of the Central Intelligence Agency to my amendment No. 1511 to the Foreign Assistance Act, which prohibits the use of U.S. foreign aid for assistance to any foreign police or security forces. This amendment was approved several days ago by the Senate Foreign Relations Committee.

Certainly it is no news that the CIA relies on friendships with police or intelligence networks in other countries; however, it bears reiteration that the CIA is tightly involved, often through other U.S. agencies, with some of the most unpopular governments in the world. It is my strong opinion that we must start drawing the line on these relationships as we begin to actively use human rights as a factor in foreign policy decisions.

I ask unanimous consent that Mr. Anderson's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CIA ADMITS USING FOREIGN POLICE

(By Jack Anderson)

The Central Intelligence Agency has admitted in an extraordinary private letter to Sen. J. W. Fulbright (D-Ark.) that the agency has penetrated the police forces of friendly foreign countries.

The remarkable confession by CIA Director William Colby came in the course of a discreet but intensive lobbying effort to keep alive U.S. support for foreign police programs.

Colby told Fulbright that the "relationships" built up with policemen through these programs had been highly useful in "obtaining foreign intelligence" from foreign constabularies.

The friendly foreign cops, like national police everywhere, are privy to their nation's darkest secrets. And while Colby does not say so, our government sources tell us the foreigners are not above trading a national secret or two for a little CIA cash.

Colby, in his message to Fulbright, delicately skirts the matter of corrupting foreign police, conceding only that the liaisons bring the CIA vital information on "illicit narcotics traffic, international terrorism and hijacking."

Colby's covert lobbying was directed against a bill by Sen. James Abourezk (D-S.D.) that would kill U.S. aid to foreign police and prison operations. The measure was drafted after shocking abuses were disclosed in South Vietnamese prisons constructed with the U.S. taxpayers' funds.

The CIA director, who as a top U.S. hand in Vietnam saw the abuses first hand, said, nevertheless, that the Abourezk measure would "appear to restrict activities . . . by the CIA." The main cutback would be in "obtaining foreign intelligence information" from friendly espionage services and agents "within national police forces . . ." Colby went on.

Some of the agents in foreign police forces, Colby indicated, had been developed during "specialized training and other support" given by the CIA.

Colby's lobbying proved effective. In secret session, the committee permitted the CIA to go on supporting foreign police operations. Insiders suspect that Colby's effort to defeat the Abourezk provision was actually