

U. S. S. SUBCOMMITTEE ON
EMPLOYMENT MANPOWER & POVERTY
FIELD HEARINGS -- EASTERN KENTUCKY
TRANSCRIPT OF EVIDENCE
HEARING HELD AT NEON, KENTUCKY

HON. ROBERT F. KENNEDY
ACTING CHAIRMAN,
PRESIDING.

Mrs. Ann Rader
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Hazard, Kentucky
Reporter.

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BE IT REMEMBERED:

That a hearing was held on this the 14th day of February, 1968, at or about the hour of 9:00 am, at the Neon-Fleming School Gymnasium, at Neon, Letcher County, Kentucky, and the following proceedings were had, to-wit:

APPEARANCES:

Mr. William C. Smith, Washington, D. C., counsel for the subcommittee.

Mr. Peter B. Edelman. Legislative Assistant to Senator Kennedy.

HON. ROBERT F. KENNEDY:

I'm delighted to be here at Neon, Kentucky, with Congressman Perkins and visit with all of you and talk with you about the problems that affect this area. I'm very sorry that Senator Cooper was unable to be with us here today. He had hoped to come and had made arrangements to make this visit with me but a death in his family prevented him from doing so. We have all missed him; we missed him yesterday and will miss him today. I know how interested he is in trying to find solutions to the problem of this area. I want to express my particular appreciation to Governor Nunn for his cooperation and his assistance to the Sub Committee and particularly his courtesy to me; all the efforts he has made on behalf of us in the period of the last several days. I'm very grateful to him, and I want to take this opportunity to express it. This Sub Committee on Employment Manpower and Poverty is chaired up by Senator Joseph Clark of Pennsylvania, and we have hold extensive hearings on poverty problems. Last year we went to Northern New Mexico, to Central California, the Mississippi Delta, and the hills of Pennsylvania. Now we are here in Eastern Kentucky. This visit has a special meaning to me because of the great interest that President Kennedy took in this area, and the fact that he had intended to come here in December of 1963. Now that I'm here and meeting and talking to you, and observing this beautiful land -- all this marvelous potential -- my visit has even greater meaning. This is a proud land and the mountaineers are proud people, and rightfully so, but I need not tell you that hard times have come to this land, and the people that live in this area; that much of the land has been ravished by the extraction of its rich resources; the creeks and the streams which run through nearly every hollow are polluted with trash and sewage and acid waste which seeps down from the scarred hills above;

wrecked cars dot the landscape, and the men of our hills who worked at great peril to themselves and their health, and their very lives -- these men, many of them who have been disabled by accident and affliction, have been left without work and without hope by the automation of an industry which no longer needed them. Riches still flow from these hills, but they do not benefit the vast majority of those who live here, and I think that situation is intolerable.

(APPLAUSE)

So the best of your young men who are educated and trained are forced to leave eastern Kentucky and go off to other parts of the nation to search for work, and the old, the sick and weary and those who know no other life, who have been the coal miners who have made this part of the land; who contributed their strength and their sweat and their skill and their courage to making this part of the country -- they are left behind. Government has helped in some ways in alleviating the disaster that had befallen the people of the mountains; the Work Experience & Training Program, which many people call the "Happy Pappies". has kept income coming into many households where there was no other help, and the Food Stamp Program has brought food for many who were otherwise close to starvation; and maternal and infant care funds provided by the Department of Health, Education & Welfare, has provided prenatal and pediatric care to many mothers for the first time, which is all worthwhile, but there is still great hunger. Family after family still survives on beans and potatoes or rice, cornbread and "fat back". The food which the Food Stamps buys runs out before the third week of the month; buying of the food stamps consumes a great portion of their meager welfare check, leaving little for rent and electricity and clothing to send children to school, and still there are no jobs, for in many of the counties of Eastern Kentucky more than half of the adult men, sometimes over three quarters, have no work. We have done much, but in my judgment we have much, much more to do in the future. This is one of the proudest regions of the nation. We must all work together -- Kentuckians and all Americans -- to bring jobs and economic security to all the people here In Eastern Kentucky. This is the task that lies before us, and this is the reason that we are holding these hearings, to see if we can make some contributions toward alleviating the problems and suffering that still exists in Eastern Kentucky.

I'm very pleased to be here. I'm very proud to be with my old friend

Congressman Perkins, who was so closely associated with President Kennedy and who has done so much for this region -- who has led the battle--

APPLAUSE

who has led the fight in the Congress of the United States for Eastern Kentucky, so we have much more to do with the -- much, much to do in the state and in the heart of Eastern Kentucky by the people themselves. With all of us working together, all recognizing our responsibility, in my judgment we can have some success and we can do much better than has been done in the past. Here we are a country with \$800 billion dollars gross national product, a country which is going to buy nine million new automobiles this year, you can't tell me it's acceptable when at the same time we have men in Eastern Kentucky who are trying to find jobs...

APPLAUSE

It is not only unacceptable to you in Eastern Kentucky it's unacceptable to us in the rest of the country; it's unacceptable to us as a nation that people don't have enough to eat, that people have to go on welfare who want to find jobs and want to go to work; and we are going to try to do something about it.

APPLAUSE

Before we begin our panel hearing, we call our first witness, I would like to see if Congressman Perkins might help us with that.

CONGRESSMAN CARL D. PERKINS:

Senator Kennedy, ladies and gentlemen and friends!
I'm delighted to put in an appearance here with the distinguished Senator from New York, who is a member of the Senate Labor and Public Welfare Committee, a gentleman who has always been interested in the problems of all Americans and has particularly been interested in the problems of all Eastern Kentuckians. I learned last week that the hearing had been scheduled; I was delighted that the hearing had been. I agree with Senator Kennedy we have not done as much as should have been done. There are many things and much to be done. I know back several years ago we tried

to commence the redevelopment of this area under the Area Redevelopment Administration Legislature. That was unsatisfactory to the late President of the United States, the late President Kennedy. He came forward with an accelerated Public Works Program at that time, which the area benefited from, but some of the most needy sections of Eastern Kentucky did not benefit at all, but the area, sections in the counties that did benefit from the program particularly and specifically Floyd County, where we did get needed community facilities such as water and sanitation. Since that time many industries have come into Floyd County, but in this particular section and after the life of the Accelerated Public Works Program, the accelerated and active Economic Development Administration, which was the successful program, they changed the name, trying to state that before a community was eligible for program to improve the facilities -- community facilities -- and bring permanent improvements into a community, that you had to have economic development. In other words some of the people in Washington are trying to put the cart before the horse today, but we have got to have water; we have got to have sanitation. This raw sewage here in this area is a disgrace to this nation.

APPLAUSE

...and to talk about industry coming in here before we provide these community facilities, that's the reason I say that the people in Washington are trying to put the cart before the horse, but the law is so clear that where you have a high unemployment rate, under the present Economic Development Act, that you are entitled to these facilities; the way the law is now written, although it's difficult to get it administered that way, I am most hopeful that your city officials here in this area, notwithstanding the fact that an application for water and sewage has been turned down, will resubmit that application and we will do our darndest to see that applications of that type are approved. The people In Floyd County really insisted on the approval of their applications on the Beaver Creek. Just across the mountain, and they were able to get about four and a half million dollars in that area. Similar communities have, I just mention this fact because we at the local level, all of us, have got to work a little bit harder to get these programs. I know I have not been, perhaps, doing my best. I've got to work a little bit harder. We've all got to practice better conservation practices in this area, and I am not one of these people that

believes that we cannot bring permanent improvements into the area; that we cannot diversify our economy. I feel we can. I know we have a long ways to go. We have been a long time getting highways into the area. We are working now, and I certainly want to compliment the late President Kennedy for his brief work on the Appalachian Program.

APPLAUSE

I want to compliment Senator Kennedy here, who has helped us so much in the extension of the Appalachian Program and in connection with all these Economic Development Programs that has been benefiting Eastern Kentucky..

APPLAUSE

If we commit our highway funds like we should and modernize 119, 460, U.S. 23 and KY. 15, and other roads that surround us. We have been isolated far too long. We all know that when we depended on the coal economy here in Eastern Kentucky we had a railroad and that's just about all we had in the mining communities, and the people working in the mines worked on these hillsides up until the 30's. Since that time the hillsides have been devastated, and I was interested in the comments of Senator Kennedy about the cleanup work that needs to be done. I can appreciate the fact that we tried to bring to this area what programs we have. The Work Experience and Training Program, where you have so many men at work under Title V of the Economic Opportunity Act they tell me in Washington that you will not be cut off. That was the understanding that we had with them. Mr. Safford knows about that understanding, but it was transferred, and I understand there has been many legions cut off; after he's pulled off the W.E.T. Program, put into the M.T.A. classes, and after that the training period expires, unable to find jobs, he's then cut off. Well, we are going to do something about that situation and we would like to have your names today before you leave here, if there is any of you under the sound of my voice, because we are going to work for programs under existing laws, under the Comprehensive Unemployment Program, administered by Sargent Shriver, who sponsored this program, and do something about these unemployment conditions. I know this is only a temporary thing; we're got to have a government program where industry - providing industry cannot employ and would not employ the hardcore.

We've got to have a government program similar to the W.P. A., to take care of that type individual, and let him do useful work, but in the meantime we will all do everything in our power to bring permanent improvements here and to Neon and Fleming and throughout Eastern Kentucky, and to improve your living standards. We will try to improve the standards of our children. I will say that so far as the good teachers are concerned, it's understandable, the number of our teachers we have in Michigan, in Indiana and even in the state of Florida. We've got so many things to do and we've got to commence and we will all work together, and it's a great pleasure for me to be here with Senator Kennedy and I want to congratulate him on taking the initiative to come to Eastern Kentucky; we are proud he's here; we are proud of his great work and proud of his friendship, and we will always love you. Senator, for coming.

SENATOR KENNEDY:

We have some representatives of the Governor here today.

BAILEY GARD is here for Senator Cooper.

MR. GUARD:

I thank you very much Senator Kennedy. My name is Bailey Guard. I have been on the staff of Senator Cooper in Washington for the last ten years, and I'm now assigned and Assistant Chief clerk to the subcommittee on Public Work. As Congressman Perkins and Senator Kennedy know, but this is the committee that has jurisdiction in the Senate over the Economic Development Act and the Appalachian Regional Development Program, so I'm very happy to be here because my work does deal with some of the problems that effect you, and we hope will help. Senator Cooper asked me to express his deep regrets that he could not be here today. He had looked forward to coming very much, and I'll simply read his statement, which he wrote out in Lexington when he met Senator Kennedy to welcome him to the state.

(Reading) I had looked forward to being here and to take part in the hearing discussion concerning food and living conditions available to some of our people. Last night my uncle, Circuit Judge Roscoe Tartar, of my home town Somerset, died, and I must go there to be with his sister, my mother, who is ninety years of age. I shall follow closely the hearings and the findings, much has been done in the last fifteen years to improve conditions in Eastern Kentucky by the federal government, the state

of Kentucky, and by the people of Eastern Kentucky themselves. I am glad to have introduced and supported many of these measures in the Congress but there are many in Eastern Kentucky who have been left behind, who do live under and in most difficult conditions, and I welcome all help for them."

That is the end of Senator Cooper's statement.
I thank you very much.

REPORTER'S NOTE:

The Reporter had anticipated Senator Cooper's letter being left with her to be copied and for that reason did not take down the complete text. However, Mr. Guard informed her later that rather than leave it, he would have a typed copy inserted into the record.

SENATOR KENNEDY:

There is a group there, if you want to come up here to make yourselves comfortable.

NOTE: A group of people, wearing paper bags on their heads, comes forward. They are carrying a banner which says "Give us jobs and education. We can't eat Your fancy Promises."

SENATOR KENNEDY:

We are delighted to have you.

The first witness is Mr. HARRY CAUDILL, attorney, from Whitesburg, Kentucky.

MR. CAUDILL:

Senator Kennedy, Congressman Perkins: Please permit me to thank first your chairman of the subcommittee, Senator Robert Kennedy, and our own Congressman Carl D. Perkins, for the interest in eastern Kentucky which their presence here today underlines. As Roosevelt was the magic name in American politics in the 1930's end 1940's, Kennedy is the magic, the charismatic, the rallying name of these troubled times, and that you, Senator Kennedy, have left an extremely busy schedule in Washington and the great cities to come here, must have a heartwarming effect on every Appalachian mountaineer. It is doubtful that any land or people has contributed more to the national welfare than those within the eastern

Kentucky coal fields, or received less in return. It is sincerely hoped that these hearings indicate that at last the federal government is determined to redress this ancient and deadly imbalance. Hunger has lurked within the southern Appalachians for many generations. As long ago as 1863 President Abraham Lincoln told General O. O. Howard, the head of his bureau of Freedmen and Refugees, that at the conclusion of the great war then raging, the national government must find a way of aiding the poor people of the southern mountains whom the world had for so long passed by and forgotten. And today, hunger still lurks within the southern mountains. Its sinister shadow will darken this land and the lives of the people who inhabit it until certain basic and far reaching reforms shall have been achieved.

The people who settled the Appalachians brought with them a primitive and deadly system of agriculture that depended upon annual new grounds. For generations they cleared and burned and plowed new fields spring after spring. Lacking cover crops and any effective knowledge of soil conservation, they wore out their lands. Hollow by hollow they moved up the creeks and valleys seeking for new coves to clear. At last everywhere over the mountain range the people had spread up the labyrinth of valleys and hills and there were, in effect, no more new grounds to clear. When the cultivable land was exhausted, the people were faced with disaster. Thousands of them migrated westward in a tremendous outflow of people that continues to this day.

Thus from the beginning the region was afflicted by one of the two banns that brought Ireland to starvation in the 1840's -- a primitive, wholly inadequate system of agriculture.

But while the agricultural land base in Appalachia is tenuous and meager when exposed to the rude methods of the frontier, the land itself is supremely rich. It is, in fact, one of the richest resource regions in North America. The hills of Kentucky, western Virginia, West Virginia, eastern Tennessee and western Pennsylvania are stuffed with high grade coal and with important deposits of iron ore, petroleum, natural gas, sandstone, limestone. Even platinum and diamonds have been found within the low hills of Eastern Kentucky.

In the last decades of the nineteenth century and in the first few years of the twentieth century, the people of these mountains were almost totally ignorant of the outside world. The mountains that had ringed them in had sealed out the great industrial nation forming so rapidly to the east and to the west of Appalachia. Thus it was that the significance of the minerals was

discovered by cunning people in the eastern cities long before it was recognized by the inhabitants of the Appalachian labyrinth.

In those years speculators came into the hills and for prices which I am ashamed to name bought the mineral wealth which later provided so much of the industrial muscle of the America we know today. For prices ranging from 10ct. up to \$5.00 per acre they bought all the underlying minerals and mineral substances, together with the right to extract them. Practically everybody sold. Today, in Letcher County -- a typical Appalachian county -- the minerals under 94% of the land are owned by seven or eight companies, each of which is chartered in another state.

In 1884 the Tax Commission of West Virginia recognized the true dimensions of the tragedy then in the making. In a report to the people, the Commissioners wrote: "The wealth of this state is immense; the development of this wealth will earn vast private fortunes far beyond the dreams even of a modern Crosses; the question is, whether this vast wealth shall belong to persons who live here and who are permanently identified with the future of West Virginia, or -- pass into the hands of persons who do not live here and who care nothing for our state except to pocket the treasures which lie buried in our hills. If the people are not roused to an understanding of the situation. In less than ten years this vast wealth will have passed from our present population into the hands of nonresidents, and West Virginia will be almost like Ireland and her history will be as sad as that of Poland."

The worst fears of the Commission have been realized as our late and beloved President John P. Kennedy learned when he campaigned in West Virginia In 1960. The history of that state after 1884 down to our own time is as sad as that of Poland or Ireland. Like eastern Kentucky that history was marked by a sustained exodus of the people and by a ruthless exploitation of the land, by the vast absentee interests which, with the title deeds, had assumed complete control over the regions' economic and political destiny.

Today the poorest people and the most prosperous corporations in the United States are found right here in eastern Kentucky. Of the thirty poorest counties In America twenty of them are in eastern Kentucky. Nearly 24% of the white adults over the age of 24 are functional illiterates. A quarter of a million east Kentuckians are expected to leave the region between 1960 and 1970. In some counties more than 25% of the people are on public assistance. In the southern coal fields some 70,000 men are totally disabled as a result of silicosis and pneumoconiosis. The rate of

unemployment is higher than anywhere else In America. The region is kept alive by a combination of public works, public medical aids, food stamps, and a multiplicity of monthly checks from the Veterans' Administration, the Social Security Agency, and the Department of Economic Security in Frankfort. Only a minority of the people live by direct employment in the region's one major industry -- coal mining.

But while the mountains are teeming with poor and underprivileged people, they also brittle with some of the biggest and most prosperous names in America. Within thirty miles of where we sit today there are operations owned by subsidiaries of Ford Motor Company, International Harvester, United States Steel Corporation, Bethlehem Steel Corporation and Republic Steel Corporation. In this county, and in Perry County where you saw the strip mine operations yesterday, are Kentucky River Coal Corporation and Penn-Virginia Corporation. These two companies are, almost certainly, the moat prosperous investor owned corporations in the United States. Last year each of them cleared more than 61% of gross receipts after the payment of all taxes and operating expenses and paid dividends equal to, or in excess of, 45% of gross receipts. Thus their dividend rate was nine times as high as that paid by Standard Oil of New Jersey and General Motors.

Only Appalachia and the great oil fields of Texas are rich enough to support such wealthy concerns.

But little of the great wealth generated here in these hills remains behind. Tens of millions of dollars worth of coal was marshaled here in the yards here at Neon and sent to the markets of the world during the years when Letcher County school teachers were fortunate to earn \$75.00 per month. Today Perry County has the best seam of steam coal in the nation and the largest coal auger. One of its operators is reputed to have more than \$100,000,000 worth of coal contracts with TVA. Yet the county pays only 8% of the cost of operating its schools.

This rich region is in a ruinous cycle that can only lead downward. Its great wealth is so lightly taxed by the counties and by the state that its public facilities and services are habitually starved for funds. The cycle begins with poor people, poor schools, poor job preparation, poor pay, and again, to the next generation, more poor people. The cycle must continue to operate with increasing detriment to the nation until good schools, good libraries, ample scholarships, colleges, universities, vocational schools, health facilities and varied forms of cultural enrichment are routinely available to all communities. This can be achieved only when tax reform,

has been achieved.

Please let me suggest to the members of the Committee, and through them to the Congress, that consideration be given to a federal severance tax. Such a levy should apply to all minerals extracted from the earth anywhere in the United States. It might apply at the rate of 50% of the money retained by the extractive industry as a result of federal depletion allowances. Or It might apply at a flat rate of, say, 5% of the gross sale price of the mineral. The federal government would keep 10% of the money to be used to combat various forms of environmental damage growing out of mineral extraction -- land reclamation, stream purification, air pollution programs and the like. The balance would be remitted to the states on condition that each state use 30% of the money to match federal funds in programs of the kind previously mentioned. The remaining 60% would be remanded directly to the counties in which the extraction occurred. There it would not go into a county's general fund, but would be used, at least in the beginning, for human development -- elementary and secondary schools, colleges, scholarships, libraries and public health services.

The effect of a tax of this kind would be to split the greatest tax bonanza and the history of government between rich corporations on the one hand, and the poor people who surround their pits and wells on the other. It would give to H. L. Hunt the immense satisfaction of knowing that he had contributed large sums each year to the education of half starved Mexican-American children. It would put into the schools of Perry County a small part of the money now flowing so freely to Philadelphia and Pittsburgh. It would heal the scarred and battered land, clear up our horribly abused rivers, and take some of the unspeakable contaminants out of the air we breath. It would accomplish justice on an immense scale without inflicting harm on any segment of the American society.

I am happy to learn that only last week your colleague, Senator Lee Metcalf of Montana, introduced a bill with many and perhaps all of these features. We here in the southern mountains have an immense stake in the passage of that bill. We urge to all within your power to bring it to the President's desk for his signature.

As you saw yesterday on the head of Yellow Creek and Lotts Creek — typical of hundreds of similar creeks. In five or six Appalachian states, -- the land is being shredded by strip mining. The exploiters are ruining American mountains on a scale that dwarfs the devastation of the Italian hills during World War II. Please permit me to urge that a federal strip mine control bill be introduced and enacted as speedily as possible. I

believe you will agree with me that it should have three features-

(1) It should forthrightly outlaw strip mining in areas such as eastern Kentucky where the slopes are so steep and the rainfall is so great that reclamation and restoration of the land to its former utility is impractical or impossible. Unless this is done, and done speedily, there will be no eastern Kentucky. It will have been reduced to a ruined jumble. The people will have fled and the desolate mountains will plague the nation with gigantic flows of mud to congest the Ohio, the Mississippi and the Cumberland for generations to come. The stake of the tax payers in this proposal is tremendous.

(2) It should authorize strip mining for minerals only where total reclamation of the land can be carried out promptly and effectively. It should require that the top soil be scraped off the land and saved with the subsoil and the rock strata being similarly lifted out of the pits and segregated. When the minerals have been removed the rock should be restored to the pits first with the subsoil following in its natural order. The subsoil should be compacted and coated with the original surface soil. This should be treated with fertilizer and limestone and sowed to a suitable grass or leguminous cover and planted with trees where necessary.

(3) The federal government should commence at once a program to reclaim and revegetate lands already stripped. The inventory of ravaged earth is growing daily. It already greatly exceeds the whole land area of the state of Connecticut. It is enough to make a strip a mile wide extending from Times Square to the Golden Gate and back again almost to the border of Nevada. In ten years an area the size of West Virginia will have been ruined. In the name of all that is just and sensible let us use some of the money we are now devoting to the destruction of Vietnam to reconstruct portions of our own country that have suffered in peace time as drastically as that unhappy country now suffers in war.

Let me urge, also, that favorable consideration be given to Congressman Perkins proposal that the federal government become the employer of last resort. In a region such as this there are tens of thousands of people who can never find a job in the market place. They lack the education modern industry demands. They are sick. Their lungs are choked with coal dust and sandstone. They have been crippled in mining accidents. In childhood many of them suffered from disease and malnutrition. It is a farce to claim that they can ever be trained to the point where General Motors or General Electric will ever hire them. Most of them are simply too old to appeal to modern personnel managers.

During World War II Appalachia contributed its labor, its lives, its minerals in an unstinting flow to help turn this country into the Arsenal of Democracy. Its great basic industry had the benefit of neither subsidies nor cushions. In this respect it was unique among major industries. Thus it became vastly overgrown and in 1948 it collapsed. The blow fell like a sledge hammer on tens of thousands of coal miners and on scores of mining companies. The companies went out of business and the men lost all the little accumulations they had put together. This kind of cycle from boom to bust has characterized coal for a long time. We may be moving toward a similar cycle at the present time.

Coal now is doing pretty well. For the last several years it has had steady growth based on the expansion of the electric utility market. The electric power generators have taken up the slack caused by the dieselization of the rails and the shift to space heating with oil and gas. Last year Kentucky was the nation's number two coal producer, turning out 99,500,000 tons of the fuel. But all is not well with coal. Today there are eight nuclear power plants in America. Twenty-one others are under construction and fifty-one are on the drawing boards. In eight or ten years 75 or a hundred huge nuclear plants will be turning out electricity in all parts of America. If the trends of the past are repeated, this will mean that some day coal will experience another abrupt slump. Thousands of men will lose their jobs. Scores of pits will close and long lines of men will be seen patiently waiting for their commodity foods, food stamps and unemployment insurance checks.

The time to plan for this kind of eventuality is now, before the disaster strikes and before similar calamity hits other industries. For increasingly, practically any segment of our economy can be subjected to abrupt and highly traumatic shifts. Not even the legions of white collar workers in the offices of the huge insurance companies and banks on Manhattan are immune from the kind of fast breaking developments that can send multitudes onto the sidewalks almost overnight.

Help us to save our land and you will help us to save the people who inhabit that land. Help us to finance schools for the instruction of our young and of our adults. Help us to raise up physicians and to build hospitals for the preservation of our bodies and minds and you will open up vast new villas for the southern mountaineer. As it is, he inhabits a wonderland of pleasant climate, abundant rainfall, strategic location, broad open spaces and almost immeasurable stores of minerals. With these reforms, with these new directions we can begin to build here in these

hills a New Switzerland, nobler and grander than anything yet achieved in the European Alps.

The Swiss are a people who have grown rich on a poor land. Because of the misfortunes I have outlined, we of the southern mountains are a people who have become, by American standards, poor while dwelling on a rich land. The American genius has demonstrated that it can achieve on a colossal scale. And in the southern mountains that genius faces a colossal challenge. And unless that challenge is met and overcome hunger will continue to lurk in the southern hills, as it did in the days of Abraham Lincoln, in the days of Franklin D. Roosevelt, during the brief but promising administration of John P. Kennedy, and as it does today. Thank you very much.

SENATOR KENNEDY:

That was a very excellent statement. Mr. Caudill, and very, very helpful to the subcommittee and I think your statistics and figures you gave about what the conditions are here in eastern Kentucky and the tremendous profits that are being made by companies and corporations outside the state from the natural resources of eastern Kentucky and from the sweat and the labor of the people of eastern Kentucky is startling indeed, As I said in the beginning, it's a statement that is a matter that the people of Kentucky must address themselves to, but the people of the United States must also.

Q.1 One question. You talked some of what the federal government should do. Isn't it also true that in dealing with some of the problems you have outlined, that the state, in addition, could be doing things that could remedy some of the problems?

A The state has a distinct responsibility in these problems, Senator Kennedy, and as a former member of the Legislature, I grappled with some of them for at least three sessions, but I think It's very -- has been demonstrated amply now that if strip mining is to be controlled and if reclamation is to be achieved. It will have to be done in Washington.

Q2 You talked about the profits of some of these companies and the return from the investment. What about the percentage of that investment, the percentage of profits that is paid In taxes to the counties in

which they operate? Do you have any figures on that?

A Only in a very general sense. I believe the best thing on that I have seen in print was a couple of articles in the St. Louis Post Dispatch, by General Millstone, in November last year. He had researched this problem pretty thoroughly and indicated, for example, that in Perry County the taxes were running at about 23% to the acre on land owned by these great nonresident coal firms, and that would give you a pretty good indication of the kind of contribution that is being made. For example one of these very large industries which -- on whose land much of the stripping you saw yesterday is occurring, paid I believe about \$17,000.00 in taxes in the entire county.

Q.3 What would you say their profits were, what percent?

A That company had profits of right at or slightly above 60%, with that 45% dividend rate, and while that is much higher than many companies are earning, all the great absentee owning and leasing mineral companies are earning fabulous profits, by national norm.

Q.4 And very little of that money is returned to the county?

A Very little. For example Letcher County is able to pay only about 17% of the costs of supporting its schools. I suppose that if we were left to county resources alone we would keep our schools open perhaps six weeks out of the year; Perry County about three weeks and Pike County perhaps as long as two months.

SENATOR KENNEDY:

The next witnesses are Robert Messer from Clay County and others. I'll ask them to come forward and in the meantime I would like to call Mr. Choke who has some material information.

Q.1 Mr. Choke, would you sit down a moment and give us the benefit of those figures?

A Robert Choke, with the Citizens Council Against Poverty in Washington, Senator, across the country 5.4 million people are on either Commodities or Food Stamps. Roughly 29 million people are considered to

be poor. This means that nationally one person out of six that is considered poor is permitted on the Commodity or Food Stamp Program. In Kentucky one of seven of the poor are permitted on the Commodity or Food Stamp Program. Kentucky counties that we are visiting on this tour are doing better than average. However, there are many counties in Kentucky that are doing surprisingly poorly in getting Commodities or Food Stamps out to the poor. There are five counties in Kentucky that have neither Commodities nor Food Stamps for their poor, in addition Adair County, Calhoun County, Anderson County, Fayettee County, Meade County, Gallatin County, Todd County, Shelby County have less than 5% of the poor participating in the Commodity or Food Stamp Program.

Q.2 Does that include the five counties that have none?

A The five counties that have none are: Barren, Sullivan, Woodford, Nicholas and Harrison Counties.

Q.3 Do they have a good deal of poverty in those counties?

A Yes. In two of them there is extensive poverty but these figures are based on the number of poor, the percent of the poor, that are participating, so whether a county has 30% poverty, as is common in many parts of Kentucky, or over 50%, as is common in eastern Kentucky, the figures represent the percent of the poor that are permitted to participate in the county.

Q.4 And not the percent of the whole county to participate?

A No.

Q.5 So you say there are no poor people in any of these counties you mentioned and only less than 5% in the other counties.

A Another interesting fact is that I think there is a corolation between infant mortality and hunger, or chronic hunger. Many of the counties with the highest infant mortality rate have very little participation in the food programs. Many of the counties with the worst poverty in the state have very little participation in the food program.

Q.6 Anything else?

A I would like to submit these figures for the record.

Q.7 Thank you very much.

The next witness is ROBERT MESSER.

SENATOR KENNEDY:

Q.1 Would you identify yourself?

A Robert Messer is My name. I represent Clay County and I think in Clay County, with these poor people, and we need better schools; we need hot lunches for the kids at all the schools. We need -- in our county we got people that's got no water. We need water and in the poverty program we need money in the poor people's hands where they can use -- get more benefit out of it, and we need roads. We need our roads fixed so we can get over them and we need jobs for people that they wouldn't have to leave eastern Kentucky to get jobs, and I thank you.

The next witness is GUSSIE DAVIS.

Gussie Davis and I'm from Pike County and I'm a welfare recipient, also I practically raised my family on welfare and ---

Q.1 How many children?

A I raised nine children. I only have one -- my baby will soon be 11 years old -- at home now, I've got one son at home with me now, not been very long, so I only get \$101.60; I get \$39.00 welfare and \$61.00 Social Security, and I have to pay \$20.00 a month house rent and pay \$15.00 and sometimes a little more for power bill. I have to buy my coal and it takes at least two tons a month, I mean through the cold part of the winter, and takes \$10.00 to get it, if not more, and my baby goes to school and I have to pay 30ct. a day for its lunch so again I get -- and my house rent is \$20.00, and I've got insurance, a little life insurance on me that is \$7.00 -- so again I get all that stuff there is nothing left for you. I buy food stamps and I have to pay \$28.00 for \$40.00 worth and I have to pay somebody for transportation and pay \$5.00 when I sign up once a year and

if I pick them up I have to pay somebody \$5.00 to go down and pick up my food stamps once a month.

Q.2 Why do you have to pay?

A For transportation.

Q.3 Wouldn't it be much easier if we had some mobile transportation for the food stamps so people wouldn't have to do this?

APPLAUSE

It seems to me something could be done, congressman, and I'm sure again the Governor would cooperate with us. Again, it's not the answer to all the problems, but obviously, if he can, where it's a source of great trouble for people.

A I have a son at home 23 year old and not able to work; his nerves is busted on him and he can't work, and I don't get anything for him at all. He's not been with me only about since the 22nd of December, so I don't get -- he's not able to work, I can't put him out to a job, and not bad enough to send off. They say if I can keep him at home with me, to get him out of it, without having him somewhere in a home.

Q.4 Do you have medical care for him?

A. No, I don't have anything for him at all. The psychiatrists checked him two or three times and they told me if I kept him at home with me it would be better than putting him off somewhere, he might get able to work, by keeping him with me.

Q.5 Can you really support your family and survive on this amount?

A No, I sure can't. If I can't get something more. I've got four son-in-laws working in the coal mines and off at a plant and has got -- and they pay into it whatever that comes back out of it, so I can't -- they've got families -- I can't depend on them, and they said 'Mom, why don't you break up housekeeping and just come and stay with us' but I can't see going, having

to break up housekeeping after I raised all my family and take this little boy of mine; I've still got him to raise, so I'm not getting enough to go on, and I might could work at a light job but I'm not very strong since I've raised all these kids, I'm not able to work at no hard job or nothing like that.

Q.6 Thank you very much.

A This school lunch program, I think these school children -- I think it should be free to all.

APPLAUSE

I think it should be free to all. We need more roads, we need better roads. We don't have roads fit to travel on, and the food stamps, I think we should have -- they should be free to all. I mean I think -- if the welfare, if I get more welfare or if I don't get more welfare, I think we should not have to pay \$28.00 for \$40.00 out of that little \$101.00 I get.

Q.7 How much do you pay for the school lunch?

A 30ct. a day, so that would be \$1.50 a week, that would be -- it was \$5.00 a month but it went up to 30ct. It's about six something I guess.

Q.6 Do you find your neighbors have the same kind of problems?

A We all have the same problems, and these Kindergarten children are not supposed to be paying for their lunch at all, to my understanding about it, but they are charging them 30ct. a day, and this problem with the - this program they've got at Pikeville, Perry Osterman and them, they get the money but if you go to them -- if you go to them for something, they deny you; they don't want to put out anything; they don't go out to see; they get the money for it but they don't want to go out and see what people needs, and if you go to them they don't want to go to nothing to help you no way, without you bring a big shock or something in on them, they don't want to do nothing, so they get that money, what they do with the money, because back in our part you don't know where it goes to, you don't get any of it.

Q.9 Thank you, Mrs. Davis, it was very helpful.

The next witness is CY HAMILTON.

This is Cy Hamilton from down in Floyd County. I'm glad to be here before you, Senator Kennedy, and you too, Congressman.

Q.1 You are Mr. Hamilton?

A Cy Hamilton, from Floyd County.

Q.2 Go ahead.

A I'll take a short time. I would like to talk a whole lot. I'm glad to be here with you. I'm an old retired miner. I know all this which would come along in '60 now. I'll give a little sketch of it. In '60 we was running, with a hundred & forty -- 244 ton of coal a day -- that's what we are running, with a hundred & forty four men. You know it come along just in a little bit of time then. They moved this machinery in. You know what they done. They run 325 ton of coal there with twenty two men. That was all the hitch. It took all the work away from us; they run that much more coal with 22 men than what we would run with that hundred and fifty, and you see they just come on down. you see, moved on up the road down here. It is now fell into the "Fathers" people, see, "Happy Pappies". If that hadn't come into our county I don't see what we would have done. I don't know what the poor people would have done. They couldn't have schooled their kids, schooled their kids; they couldn't have fed them and schooled them. It's pitiful to get around these places where these people is needing this here now. I thank you good people for spending your time and coming down here and helping us work these problems out; that we can get more for poor people and all live better and fare better. And another thing, I want to thank you for, for this here welfare. Now we had some fellers on welfare down in our country and one thing about that I don't like much. This feller had been in under a doctor five year, been in under a doctor; he worked on this Happy Pappy as long as he could, and they cut him off; he couldn't stand it, and ever once in a while get him back on, and it took one year to get that man on the welfare after he was completely out off. Now, we've got a case down our way this man has got fourteen in the family and he is getting his last check now. He's cut off. Now if it takes that long to get him on it it's going to be pitiful for them fourteen in the family.

Q.3 Do you think, Mr. Hamilton, there's hunger in your county?

A Yeah, lots of hunger. We was in a place here not long ago - - I hate to tell you this -- it was a girl, she is about seven or eight year old, a big snow on the ground, barefooted and no shoes to wear to school. The Appalachians got out and got out and fixed her up some shoes, and got her some food to eat so the girl could go to school. I thank you now. I thank you for being here. But I would druther all these government programs, we would all work together and not work again one another but all work together. That's my sentiments.

At this point a man starts walking up to Senator Kennedy and says:

MAN:

Mr. Kennedy, if I could, I would like to make a statement for a few moments. We have a gentleman here, John Tiller, Community Action man in this county, and he would like to give a statement.

SENATOR KENNEDY:

One moment, please. You are scheduled to testify. We would like to hear from you.

A I was, but I have worked with this group of school children for some time now, and I did, with all respect, have a few words I wanted to say.

Q. Do you want to say it now?

A Yes. JOHN TILLER. Our people are getting...

Q.1 Identify yourself first.

A John Tiller, out of the Community Action Program in Dickenson County, but we have worked with this group at Evarts High School and neighboring high schools in the Eastern part of Kentucky. As I said, our people are getting to be informed peoples. They know their enemy now. They don't worry so much about a tobacco farmer, a coolie in a rice paddy, or a sausage grinder or a peanut picker, or a black man in Wallace's Alabama; it's not these things what bugs them -- it's right at our courthouse level. They are great boot strap operations. "Help yourself before you

ask the government's help". Try it.

APPLAUSE

There is no more reactionary group on the face of the earth than are found in our Courthouses in Appalachia. You go on from that. You find it in the state house. I hope you don't find it. I find evidence to the contrary. Senator; that you do understand our problem. We know they do here. They understand it but they don't want us to do anything about it. They know we need schools. The news letters from different schools have been circulated this morning, and it is shocking what our children are -- the schools they are forced to go to and the unqualified teachers they are forced to go to.

APPLAUSE

Our teachers are appointed at political whim.

APPLAUSE

We have teachers with the same qualifications that draws different pay scales. That's due to political whim.

APPLAUSE

Everything we ask them for they -- the roads -- "We don't have money". For our schools "We don't have money". What do we have money for? You take --we have had Committee hearings like this before. Nothing has ever come of it. Our area is not feeling the Welfare Program with all the billions that have been poured into it; you go from house to house and find one penny's evidence of it. All these things are needed. Our area is feeding the war machine.

APPLAUSE

That's what we can tell our boys. They are being told -- in being shot on killed. They can't take the genteel route of draft dodging by getting out of college because they don't have the money or they don't qualify for the National Guard because they have no influence.

APPLAUSE

There is a lot of things needed for our area and all this has been in the planning but nothing has ever come of it, and a lot of people, Senator, have come to the point they are really without hope, they are desperate peoples. This is the last time that Appalachian South, a large number of us, will ever appeal to us or Democrat or Republican. I don't know what road we will take, if it will be a different, new politic or what.

APPLAUSE

I suggest that the people in our area that are assembled here today, with all courtesy and respect for Senator Kennedy, and in memory of his brother whom I loved, and Congressman Perkins, that we ask him to allow we the people to take over one meeting on poverty and really hear what bugs us.

APPLAUSE

I will repeat. When you leave and we start a program we will be met with opposition at the Courthouse level.

APPLAUSE

And there again I would suggest a panel be picked from each area represented here. You and the Congressmen can be our honored guests, and see one poverty meeting by other people.

SENATOR KENNEDY:

At this hearing we need an opportunity, as you can see from the list of witnesses, and the fact we asked you to come, to hear from people who know first hand, who have suffered poverty and know the condition. We are not having this hearing from others who can tell third hand, to tell the condition. We can come to you and we are trying to have you here, and we hear your complaints and ideas and thoughts about what needs to be done. I can't come and tell you all these problems will disappear. You have told us quite clearly in your testimony what some of the difficulties are. We have a war in Southeast Asia and Vietnam that has taken our resources. Some of that money should be coming down here in Eastern Kentucky to

be used to find jobs for the people. Beyond that I think we could do much more than we are doing in this country; I don't think it's acceptable, as I said before, with the great amount of wealth this country has, we still have people, who have no jobs and people who don't have food; and clothes to wear, and people that want to work don't have the jobs to go to, I think that is unacceptable. I never would have come here and promised all the problems will disappear but we are focusing attention on what needs to be done. We are hearing from people like yourself who will give us suggestions on what needs to be done. We will work from there, and I would hope the state and the County and the people here would work on it.

A I would like to say that we need roads and we will have them. We can name a thousand main reasons why people ought to have means of transportation, the facilities for it, but the main thing is other sections had them, and for that reason alone we want them.

APPLAUSE

Other people have good schools and for that reason we want good schools. We demand them!

APPLAUSE

Q. Have you finished with us? I am glad to hear from you some more. I think you have done very well.

A I think I have done rather badly.

Q. No, you did very, very well. I'm glad you are not in the state of New York and would ever run against me.

LAUGHTER

Thank you very much.

The next witness is TOMMY DUFF, Harlan County.

SENATOR KENNEDY:

I have your "Cloverfork newsletter Special Addition' here. Could you

read your editorial to us?

A This newsletter...

Q.1 Would you identify yourself?

A Tommy Duff, a student at Evarts High School. I'm 18 years old. I have here sort of a very small prepared statement which won't take much of your time which I think it will reveal some more facts which will be of help to you. The largest single employer in Harlan County. They don't care if you pass. If you don't have the grades they will see that you have them. This is a fact. Last week I was expelled from Evarts High School for taking pictures. I was taking pictures of wash rooms with fallen plaster, students standing around a potbellied stove, students crossing road intersections to get to class, converted commissaries and shower rooms for classes, and other deplorable school conditions. To my knowledge there has never been a regulation restricting picture taking on school premises, but the fact is, somebody doesn't like it. Perhaps it's what the pictures will be used for. For the past two and a half months I have been working with a group of students from Evarts High School who have been printing a publication called the Cloverfork Newsletter. In this newsletter there have been articles on washrooms with no soap, paper, or heat, poor heating in much of the school, broken desks, falling intercoms, coal dust from the tipple, no fire escapes and crowded school buses. There have also been articles on freedom of speech and press, Evarts residents sending their children to other schools, where school funds come from and how much money is spent on education in Harlan County, teacher salaries in the county compared to state and national average salaries, and profit made on coal and timber in the county. Some of the pictures which I took will be included in our next newsletter. Perhaps they will explain more clearly what we are talking about. But apparently somebody is afraid to have these pictures circulated -- afraid of having the truth revealed. The Principal who expelled me threatened to turn my name in to the draft board if I didn't agree to stop working on the Newsletter, but if I did agree to stop what I was doing, he could probably get me on the NYC (Neighborhood Youth Corps) program in school. Should I take this offer of a job or should I continue working for what I believe in -- better education? If I do continue to fight for better education, will you fight with me?"

From the Governor right on down to the City Mayor, they control the

W. E. T. program, the Vocational schools, the Youth program or N.Y.C. I didn't come here today to burn my draft card. I came here to protest but not to protest against the war in Vietnam. I came here to protest about one thing. If you are going to brand me, brand me right, but I'm standing up for the rights of all students, his teachers -- what education he's going to get let it be good'. When you graduate from a school in Harlan County you have just about the same education as a person that graduates from the eighth grade.

APPLAUSE

They can take these two bit county board members, for my part, and drag them all through these chug holes through these hills -- I don't care. Let them spend forty to sixty thousand dollars in getting a county board member elected so he can elect or appoint his Superintendents, or appoint him -- who cares? Just me. These Newsletters which were passed out have my name and address on them and the money we get comes from people like you; certainly not the NYC program; certainly not James A. Caywood or Carson Combs or any of the rest of the political bunch down at Harlan. I wish Senator Cooper was here today because about fifteen years ago he had the same program started in Harlan County, it was called Youth in the underprivileged Harlan County. It was centered around Evarts. They had several students involved there and it was branded as Communist, something that is already started on us. You let something get started that the power structure around here, or any other county in southeast Kentucky, that they don't accept it, and it will be branded Communist.

APPLAUSE

Because they know that the brand of people in southeast Kentucky won't uphold the Communist or a draft card burner, but let me state this: I'm going to fight and I'm going to win!

APPLAUSE

SENATOR KENNEDY:

Something in the statements made regarding individuals and regarding Principals of schools, before this hearing ends, if any of those who have been mentioned feel they want to give an answer to the

Committee or put anything in the record, I want to make sure those understand it's all right to come before the Committee and testify. We will be glad to hear their testimony. I think that's the only fair way to proceed. I certainly understood -- some of these things that are said -- obviously the witnesses who are called say what they feel and should say what they feel. They should talk about the way they feel and their problems and the causes of the problems, but if there are reflections on some of the individuals that exist in this area, I want to make sure we are fair to them and if they wish to testify before the Committee and answer any of the charges that have been made on any of the questions that have been raised, that they are free to do so. We will let them all who -- if they can be here before 12:30, I would be delighted about that, and if that is not possible. I would be glad for them to submit a statement for the record,

Q.2 Do you have anything else?

A Yes.

Q.3 Are you expelled from school at the moment?

A I am. At the present time I'm indefinitely suspended.

Q.4 Because of taking pictures?

A I was told if my parents would come with me and sign a release form, or some form, saying I was in no way connected with this Newsletter; take no more pictures, or in any such student activity, that I would be allowed to return to school.

Q.5. Is it prohibited in the school to take pictures? I think if this is an...

A (Interposing) If you will notice on the second picture. Senator Kennedy, it has a shadow on the wall, and it is a leakage.

Q.6 I would think maybe the school authorities didn't know about it.

A Do you think that is possible?

(BOO)

Q.7 Anyway, the shadow -- that could be brought to their attention.

A One more thing, since I was suspended, from taking pictures, would you do one more thing? The students that are here with me today -- I guess you would call them "BAGS" -- when they go back to school they will ask them if they were here with me today and they will say yes, and I don't suppose that -- if you would write -- well, we have to have an excuse -- if you would -- I'm quite sure if you would put your signature on it.

Q.8 What would you want?

A An excuse.

Q.9 What should I say you were doing?

A Oh . .

Q.10 Let me suggest more. I will be glad to. I will be glad to call the school -- have one of my assistants to call the school -- saying you testified, had been called to testify for the subcommittee.

A There are students here representing Carson High School -- which evidently was named after the County Superintendent -- Cumberland High School and Evarts High School, so there will be three schools.

Q.11 If you would talk to Mr. Tom Johnson, who comes from Kentucky, if you will talk to him and give him the name of the schools involved, I will be glad to call and tell them you were down here. In the meantime it seems difficult to believe that anybody would be suspended, particularly the conditions of the school...

A Not suspended -- indefinitely suspended.

Q.12 That anybody would be indefinitely suspended for bringing the attention to the school authorities to the conditions they didn't know themselves, and perhaps the Principal would reconsider. I would be interested in finding out if the principal -- obviously I'm not running the school, but I would be interested in finding out, as you obviously take

good pictures, and obviously you write well -- that I would think that you would be a student that would be worthwhile having in the school.

APPLAUSE

I'm CHARLES JOHNSON from Harlan. We asked for an appointment with the Principal over this Newsletter, and he has refused to give us one.

Q.1 Do you have any children in the school?

A Yes.

Q.2 Are they involved in the Newsletter?

A . No, they are not. I want you to read it. OK, thanks a lot. We had one of the ladies that her children are involved in the Newsletter. We were calling and asking for an appointment.

SENATOR KENNEDY:

In any case, as I say, I'm not in charge of the school and school system here. Perhaps we can find out, as this does get in the whole question of poverty, and the use of federal funds, and our educational system; we have an Education bill before Congress this year which amounts to more than ten billion dollars. Some of it comes to these areas. Obviously we are involved in the whole question of poverty, we are involved in the cause of poverty. Your testimony is a matter of great interest.

TOMMY DUFF:

Let me make one more statement about the NYC program. The federal program that come to the Board of Education for the underprivileged students could be highly -- what you might call neglected. The students who really, in some cases, really and truly do need to be on these programs are not allowed. However, it's students who play any form of athletics, who are what you might call "buddy-buddy" with the Principal or whosoever such things serve on, could very easily get on the NYC program, or if there could be any way that an outside organization so that -- an individual or church organization -- run it themselves, determine the students and the number of students on the NYC program, it would be a

great improvement.

SENATOR KENNEDY:

I will see if somebody can take a look at that. We will have the next panel. Thank you gentlemen.

JUDGE GEORGE WOOTON accompanied by EDWIN SAFFORD next.

SENATOR KENNEDY;

Q.1 Judge Wooton..

APPLAUSE

would you identify yourself, Judge?

A I'm Judge George Wooton from Hyden. Kentucky - Leslie County.

"Senator Kennedy, Congressman Perkins, we have lived through a time of one-sided industry -- the coal business -- where most of our people have not had an opportunity to learn other employment, we have lived in a rural, rustic, remote area where there are inadequate roads, in many cases no electricity and no modern services for our people. Many of the people have lived on company owned land, others so far back up the creek they could not get to school. Now that the coal companies have worked out a good portion of our natural resources, many of the people who are left have undesirable homes and no potential employment. They are the hard core poor people in this area today. Our mountains are beautiful. We have some beautiful streams left and we have plenty of timber land. However, we must always guard against the misuse of our land. We need better reclamation rules and regulations. We must abide by those rules and regulations. Strip mining is the death and destruction of the eastern part of Kentucky. With all the federal programs, with all our fine people, we still know that our land is being ruined, and the beauty of our mountains is being destroyed. It destroys our greatest investment in tomorrow -- our god given natural resources. What we can work for is to deep mine the coal, impound series of lakes and small dams in the heads of creeks to maintain the water and prevent erosion. In so doing, we can take steps toward creating a wild life, hunting, fishing, and recreation refuge for our people and all the people of our nation. There are large numbers of people who

are underfed, we must try to solve this problem by educating our people about nutrition, as well as by simply giving them a better income. Much can be done to improve our farm land by developing better farm practices. We have nearly perfect conditions for truck farming. No place can produce better vegetables. We should have horticultural specialists to stimulate self-help projects for families along these creeks and hollows. Cooperative farm programs could really help our people.

This area that you, Senator, have toured needs a comprehensive manpower program that can provide needed projects. So far we have never been able to go where the real need is. We need to build new public facilities. We should build and repair thousands of housing units. But we cannot, at this time.

The present federal work programs are extremely important in keeping many of our people from starving. But because supervision is inadequate, because budgets do not include much money for equipment and materials, and because these men are not allowed to work even on private property belonging to poor people, our most urgent needs cannot be seen to. Since project Mainstream (Nelson amendment) enrollees, for example, cannot work on private property, this rules out the possibility of upgrading housing, or of beginning local agricultural projects with these men.

It is time we recognized that there are many able-bodied men who cannot, for a variety of reasons, pick up and leave for jobs in Ohio and Indiana, or anywhere. Neither can they find employment here. These men should be employed by the government. But we need adequate equipment, materials, and supervision. If such a manpower effort could be act upon we will have really made a significant step in helping both the people and the area to help themselves and itself. We will really lift up our eastern part of Kentucky then."

I come to you from one of the most remote areas in the state of Kentucky or the United States. I lived just below the mouth of Devil Jump Branch of Hell-for-certain in Leslie County. I wore a jeans dress until I was twelve years old. I went barefooted, with butter and molasses from the chin to the tail of it, and where I went to school when you hollered for dinner there would be fifty head of hogs run out from under the school house and just about turn it over, and we would have to climb a tree or get on top of a rock to eat our dinner, and on the front of the house -- beginning at the front there one of the signs said "His-Up" and "Her-Down"; that's when the boys went up the creek and the girls went down to the outhouse,

so I speak to you as a man who has lived in this area, so-called hard core area, some call it poverty, but I'm trying to develop and encourage and stimulate these people who had known our problems -- if we do have problems -- and let's start to talk for eastern Kentucky about opportunity; about opportunity in our school systems, or about opportunities in this given area, the so-called Appalachian parts of the eastern parts of the United States and the eastern part of Kentucky. I think I have a line of plans. We are not using generally the resources we have in the eastern part of Kentucky. We have been exploited. The natural resources and the riches of the eastern part of Kentucky has been piped out to other outside areas and what we need to do to help to solve and correct these situations is start reversing the scale. What kind of a job can we do as leaders and as citizens in this great country of ours to develop it and divert the so-called wealth of the eastern part of Kentucky or in this Appalachian area that has been exploited and the riches has left this mountain part of the country -- the riches is still here, and that's our natural resources. Any man that can raise a family on these steep hillsides in the eastern part of Kentucky by raking, clearing and scraping by farming and by coal mining, he's certainly done a great job for his family. And so many of our people, after they've got educated, they have had to leave the eastern part of Kentucky to seek employment and to seek a higher standard of living for their family and the families to come. It's our responsibility as leaders to the eastern part of Kentucky and Appalachia to start developing — develop leadership. This country of ours will only develop if we develop proper leadership, to develop the eastern part of Kentucky, and let's make this area so attractive that on the outside people will be willing to convert and divert the wealth they have taken from these mountains in the eastern part of Kentucky and to deposit it for these heirs of these resources we have, and that's our people. We have the most beautiful mountains in the country; we have the greatest people in the world; they are true blue blooded patriots, living in a rough, rural rustic, remote area.

APPLAUSE

Thank God that we have provided leadership -- that of our late President, John F. Kennedy, who has meant so much to the programs and to the funds that has come into the eastern part of Kentucky to help the poor conditions that we know exist. Also Congressman Perkins and a great humanitarian and has always been great to our people here, and everything in this world

is the honored John Sherman Cooper, our great Senator from this area. With the programs and the federal programs we have, we have tried so hard and the leaders we have in the eastern part of Kentucky knows the needs certainly better than any outside people knows the needs of this area; they know that we need to engender and stars practicing the mixing of these different federal ingredients, the ingredients of the different programs, and come up with a working program, a workable solution, where we can get a dollar's worth of good out of a dollar's worth of money. We have money being pumped into the eastern part of Kentucky in these federal programs, and I'd like to thank our federal and state and our own local government, and I think we should come up with a plan where we can help people help themselves. In other words we can take the money we have, with some other moneys, if we were allowed to do what needs to be done in eastern Kentucky, and we could help solve our so-called problems -- if we have problems -- and as I said before, anything that creates a problem certainly creates an opportunity, and when you find a problem, 75% of the problem is solved. Let us start moving into this area housing projects, projects that will attract the rural, remote people that live in the head of the hollows; we need housing projects to move our people into in a voluntary way; we need money to build these homes and we need flexible laws for the low income families in the eastern part of Kentucky in Appalachia. In the past money -- the loaning money has been hard money; it has been money that you had to pay back. That was real hard to pay back, and we have groups of people in the eastern part of Kentucky that has never been reached, when low income families couldn't spend money to build a home, if they need a home.

APPLAUSE

Much of our area and much of the money that has already come into this area has been in the interest of the people and the pictures that was taken, and the person today had to have nerve to tell the truth about the eastern part of Kentucky, and I, for one, will always represent this area. I speak what I believe whenever I can and I will as long as I -- die; -- Thank God for a man of the ability of Harry Caudill that wrote the book of "Night Comes to the Cumberland" and for the people like Berea College, who has provided the structure in our rural, rustic area of the eastern part of Kentucky and this world with leadership, that have had to leave to go into the rural, remote areas and carry the truth to the people and open their

eyes to where they become a part of the going society of America.

SENATOR KENNEDY:

Judge Wooton, we are running a little bit behind. I don't want to interrupt you -- we will not be able to hear the rest of the witnesses unless we move on.

MR. WOOTON:

Thank you, sir. I have complete faith that our people will move — we will move forward, and the eastern part of Kentucky will be the garden spot of the world in the future. Thank you.

The next witness is EDWIN J. SAFFORD. Area Director, Leslie, Knott, Letcher, Perry Community Action Council, Inc., Whitesburg, Kentucky.

SENATOR KENNEDY:

Q.1 Mr. Safford, I would like to hear everybody for as long as they wish to talk. We are trying to get as many people as possible in eastern Kentucky, so give us whatever information you have.

A I will be brief as possible. Senator. Senator Kennedy, I would like, first, to submit to your committee some statistics that our office has compiled for these four counties concerning employment, school dropout rates and school attendance rates. I'll not read these statistics but I believe they are relative because I believe they demonstrate a continued trend, both in depopulation in eastern Kentucky and also the fact that the so-called federal programs that we -- I am administering right now are in a very shaky stage. If I may, I will submit these statistics.

Q.2 They may be made a part of the record too.

A I find that Leslie County, between 25 and 85%..

Q.3 Of school drop-offs?

A I believe that's the rate which it has increased over the past year.

Q.4 Do you know what that is? Over what? What was the figure last

year?

A I would like to submit a clarification on this, Senator.

Q.5 I don't know what these figures mean. all right. Will somebody who has the information make that available for the record?

A Yes, sir. It will be made. "Senator Kennedy, when we speak about a current antipoverty effort, we are not, unfortunately, referring to the replacement of poverty with prosperity. What we are really talking about are a set of programs that, by and large, have only made the state of poverty more livable, and then only imperfectly.

As you saw, many were left out. It is ironic that after three years of operation, the War on Poverty in Eastern Kentucky has produced its own refugees. Men have been cut off from Manpower programs and are no better off now than they were when they were automated out of the coal mines in the 1950's. Right now we are in the middle of a massive reduction in the size of a 19-county Work Experience and Training program that for three years has provided work for nearly 2,000 men in our four-county area. The county we are in, Letcher County, has seen its WET force diminish from approximately 388 in January of 1966. to 75 in February of 1968. The four-county area is down to 545 enrollees, with more cuts in the offing.

True, many of the people who made up that original 2,000 are now successfully employed, probably in another state. But many others are still to be found in this area. Some were switched to other programs in a more or less unplanned fashion. They found themselves taking training for jobs they knew they would never find. The courses, financed under MDT, were designed to produce auto mechanics, carpenters, electricians -- the list is quite long. The enrollees knew they could never find the jobs because they knew that they were not able to leave this area.

You reach a point in your life, I suppose, when if you have a minimal amount of education, or perhaps none at all, several, perhaps many children, and perhaps certain intangible bonds such as family ties, it becomes inconceivable that you would leave the area to which you are rooted by many generations. Furthermore, I believe that if a cost benefit analysis were applied to the decision to remain, the decision would prove out to be correct. These people cannot leave. The jobs available in cities for the semiskilled do not pay enough to offset the higher cost of living.

Many will tell you that the people who you have seen failed to take advantage of these programs. I would disagree with such a conclusion. In many ways the programs failed to take advantage of the people. These are a people, many whom are in this room today, who have successfully defied the powerful economic forces that have made mobility the by word of our nation's development. As I noted before, perhaps they have good and sufficient reasons. Mobility just failed to check out economically.

Yet the planners of our Manpower programs have stubbornly failed to realize this, and have stuck to the strategy of forcing people to leave. A mobility plan was devised to be part of the WE&T program, yet it has only succeeded in relocating 36 people outside of our four-county area after six months of operations.

As our Chairman, Judge George Wooton, has told you, it is time we adopted a new comprehensive strategy. We must break away from an urban bias in manpower thinking. Concepts developed in cities to close the gaps between large populations of unemployed and existing jobs within the same city do not work in rural areas where the jobs simply don't exist. In this area the gap between the unemployed and jobs not only involves motivation, training, and education, but also distance. It involves a change of living patterns. We simply have to admit that the gap is too great for a standard manpower effort to close. Therefore, a special rural-type effort is needed, one that concentrates on creating jobs that are honest to goodness jobs even though they are paid for by the federal government. Such jobs could lead to a creation of new public assets, such as public buildings, housing, roads, bridges, parks, and schools. Doubtless, the list would grow if we ever got into this sort of thing.

This agency has already attempted to apply existing manpower resources to community development. But, at times, we have run up against a stone wall because of what seems to be conflicting strategies among various federal and state agencies. This in spite of three years of dealing with the problem. Programs are still arbitrarily dictated to us. We are seldom permitted to apply the input of our own learning, the input of many local talents, and the input of a relatively obvious three-year experience.

I know the major subject of this hearing is hunger and not manpower. But hunger, after, is the product of a system that enables poverty to exist. We who are assigned the task of administering effective antipoverty programs -- and here I do not mean just Community Action -- must therefore examine our own effectiveness in changing this system. What

you have seen has already demonstrated that we have been less than effective. And it has not been solely because of too little money. I believe our programs have suffered because our strategies have not been the most realistic. As a result the situation of many of our people is once again becoming desperate. Fear is again becoming a factor in the mountains of Eastern Kentucky. But this time the fear will not lead to anger directed against railroads and coal mines because this time it is mainly the government that has failed.

It is therefore important that we not make the same mistake that was made in the early 1960's. A crash program succeeds in staving off starvation, but it does not succeed in changing the system or the conditions that created the starvation. We will be wedded to crash programs in Eastern Kentucky so long as we set up crash programs. One crash program simply leads to another. If we must do something in a hurry to stave off the ominous portents of hunger, cold, and eventually sickness, death, and violence, we can at least do so in a way that opens the door to something better. I believe we can do so only by taking Eastern Kentucky and its people seriously, I would like to see us dispense with the welfare check and replace it with a paycheck. And let the paycheck lead to needed public works. I see no alternative to this approach other than creating a huge welfare reservation in Eastern Kentucky."

APPLAUSE

SENATOR KENNEDY:

That was a very good statement.

(At this point a man comes from the audience and addresses Senator Kennedy.)

Could I speak just a word, since you came down here from Washington to talk to the poor people of Eastern Kentucky, and me being one of the poorest and one of the -- I've got the largest family in Letcher County -- and I draw more food stamps than anybody in Letcher County, Since I'm the poorest. I believe you should let me speak just a word. I've got a little statement here.

SENATOR KENNEDY:

Q.1 What is your name?

A Cliston Johnson. I'll do the best I can. We have some other people we've made arrangements with. I'm called "Clickbird" Johnson.

SENATOR KENNEDY:

Mr. Safford, I think your testimony has been very helpful. I cosponsored legislation last year to have a Public Works program for the sort of an area such as this. I think we have to get away from Welfare and we have to provide jobs. Welfare is just no answer to the problem, and whether this condition is permitted to go on and continue here, and whether it exists in the ghettos in the northern cities, people that can't find jobs will eventually end up there, so the answer to the problem is to find jobs here and not just to put people on Welfare and "handouts", but to find work here, and if we can't get industry in -- I think we could if we had some tax arrangement, giving industries tax benefits, to attract them into an area such as this -- but beyond that and until that happens it seems to me that those of our country who are unemployed and can't find jobs, through no fault of their own, we should have a federal program to provide jobs, and otherwise they are going to be filled with despair. It exists with the Mexicans, Puertoricans and Negroes; all those groups are suffering in this country at the present time, and we are really not developing programs that are going to have much effect on them, and in fact we are going back instead of forward. We are not really taking the steps. Whether the problems that exist in South Los Angeles, Mexican-American's, or the problems in Atlanta and Chicago or Detroit, or any other cities, the Delta in Mississippi, New Mexico or California -- but still we have not developed the programs we know and dealt with them properly and effectively, and it seems to me it's a reflection on all of us -- the Congress of the United States and all our society -- and it's long past; we should be doing something about them then instead of cutting them back. I say now it's not just a question of money. Washington doesn't have the answer; people in the local community know the kind of programs that would be effective; Washington can come in and help but Washington can't come in and find the answers.

A Senator, if I may just comment briefly. I certainly support the legislation that both you and Congressman Perkins have asked for along those lines. I think that not only have the appropriations that involve

straight employment worked more to help an area but they have also been semi-manpower programs in a transitional sense. I have been quite disillusioned by the idea that by training a man or sending a 45 year old man to first grade you are going to improve his chances of getting a job. What that man needs is to be taken seriously: assigned to work in which he is known or he knows that people are expecting him to deliver, so that he once again develops the attitude of a worker, because he is being treated like a worker and not like a public servant. What disturbs me -- particularly yesterday -- I talked to a number of gentlemen who had been on federal programs and had been cut off the programs, and I can see -- to also bring that up in this testimony -- that Letcher County, its WET force diminished from approximately 388 in January to 75 in February, 1968; Leslie 369 to 118; Knott County 495 in 1966 to 157, Perry County 650 in 1966, to 195" .

Q. With more cuts in the offing, and where we have this extensible program, and instead of developing programs and developing the way it emerges, you are suggesting we are cutting down on them?

A I don't mean to say that locally we have failed to develop programs, or that Congressman Perkins has not been working on them, to pick up the slack these cutoffs are causing. The fact is this, Senator, we are working on enlarging our Nelson program into a compassionate employment program, something like in some -- the Brady Stewart section of New York. These programs cannot appear too soon, but until we see a piece of paper with the official signature on it from Washington, I have never raised the hope of people in this area unnecessarily.

SENATOR KENNEDY:

Thank you and thank you Judge.

CONGRESSMAN PERKINS:

Q.1 Mr. Safford, from your experience as Community Action Director in the area, has the Work Experience and Training program functioned well?

A I believe that the program was doomed to function in a haphazard manner because no legislative support was written in the program. Right in back of you, sir, sits a man who I have long worked with, Judge James M.

Caudill of Letcher County, and close to me sits Judge George Wooton of Leslie County; both of these men can tell you they have done their best to put men to work, but at no time did they receive adequate tools from the state or federal government; they were not furnished with tools; nor did they receive any additional funds to hire equipment.

Q.2 These are sizable counties and you can't give -- they turned the program over to the state, to the Department of Economic Security, to administer, even though it was a new program. It's your observation that a poor job has been done in the past, and do you see the job being done any better in the future?

A Well, I think that the program, in quality, has possibly benefited from the cutoffs, because fewer men have gotten better job assignments and more attention for each man, but I'll say that is probably why the program has improved, but I'm very much troubled by the way the men are cut off on the basis of their educational level or because they have completed a certain time limit on the program.

Q.3 Were you here when someone came down and interviewed the people on the Work Experience & Training program and selected the best ones and took them to Michigan?

A I have never been privy to the determinations made by the state Department of Economic Security. Their coordination has been not as good as it could have been. I was certainly aware that it was being done. I was also aware that men were being shipped off to Michigan and Indiana on the basis of supposedly existing jobs and when they got there they found the jobs had been either overrated in terms of pay they were going to receive or the men had been sent off with no prior counseling as to how they should find their way to the job.

Q.4 Let's take the group of men that were passed over by private industry -- not employed -- and the ones that were temporarily sent to Michigan for temporary employment and came back without jobs after they were taken from the WE&T program, are those individuals being cut off at the end of the 36 months without being assigned to either the Nelson program or the CIP program jobs?

A Well, our Nelson program for the four counties consists of 89 men. There is no way they can assign the men to the Nelson program without creating more slots for them. The CIP program is still, to my knowledge, one that is being worked up. I have not received any formal notification from the Department of Labor to send someone to a meeting anywhere to find out exactly what we should be doing. Locally, we have suggested time and time again that the Department of Labor work with us to enlarge the Nelson program.

Q.5 Binding the intervals, it was agreed to in Washington that these men should be taken beyond the 36 months until additional slots were provided or either the CEP program was inaugurated. Has any of these men been out off?

A Many men have received their notices in the past two month. Now the way the WET program works is: a man receives one check a month. He's usually paid in advance of a month's work. The reason for that is that the check is not a pay check. It is a Welfare check set up on the eligibility guidelines, established by the findings. The money comes out of WET but it's administered as a Welfare program. These men have received their notices. Senator Kennedy met some of them in Knott County and Yellow Greek yesterday, and Wolfe County.

Q.6 One thing Senator Kennedy and I can do something about and that's the group that are being cut off and no promise of employment, you do know individuals in this county like that and how many have been cut off?

A I can get their names for you. Congress man, within a week, of every individual who has been cut off.

Q.7 I would like for you to do that. And get it to both Senator Kennedy and myself and we will see. I think we can do something about this situation, at least that is what we have been trying to do something about for the past several months. In fact we anticipated this cutoff and commenced trying to do something about it; I held meetings with Shriver and Wirtz and all the parties involved in Washington, but if this situation exists in this district I know we are going to do something about it.

A Thank you very much, Congressman. May I make one more comment, Senator. We are approaching this time again where we have a decision to make. Are these men going to be continuously picked up because of strong job pressure and taken into some existing program for another three months in which we can continue to place a man and play games with them -- promising them -- picking them up and cutting them off - or going to sit down and decide what we are going to do with these men, and let them know whether they have employment for the next few years more or for the next few months?

APPLAUSE

CONGRESSMAN PERKINS:

At this time I think I should make it clear that I have been trying to work on a permanent program over the years, when the WET program was originally written into the law in 1964, I wanted WPA at that time but we didn't have the votes to do it. I certainly agree with your statement that you have just made that we should not kick these people around and they should know where they are going. But now have you observed this: People have been taken in the WET program and assigned to the MDA program and then they were unable to get jobs and have been cut off and the people in Frankfort are reluctant to put these same individuals back to work and instead say they want to pick up new ones that have never been on? Does that exist around here in these communities?

A It does exist, and the only thing that puzzles me is the last part of the statement. I don't know as they are picking any new ones up, but they certainly are cutting them off and putting them on WET: these people are taken off WET, told they are going to be trained for a job.

Q.7 Has the people in Frankfort cooperated with you in that regard? The state Employment people, in working up programs to fill that void?

A The state Employment Office has always made available statistics involving the area.

Q.8 Has the Department of Economic Security cooperated with you in trying to work something out in that regard?

A I have felt their cooperation has been lacking partly because we are a new agency and not taken entirely serious.

SENATOR KENNEDY:

Thank you very much. Mr. Safford.

The next witness is DR. DOANE FISCHSR, Pediatrician, Harlan County, Kentucky.

I have been asked to come here today to discuss the problem of nutrition in this area. As background, I practice pediatrics in Harlan County. In Harlan County around 35,000 people are recipients of welfare checks. Nearly 1,000 more families are eligible for medical care under Title XIX, although not eligible for welfare funds. I believe around 1,700 families currently have food stamps in Harlan County, so my experience is in a county more fortunate than many. In our Department of Pediatrics at the Harlan Appalachian Regional Hospital we admit between 30 and 50 children a month, and 45 percent of these children were covered by State and Federal programs in the year of 1967. I would guess another 5 to 10 percent of the children were medically indigent without any source of financing their care. In our office practice 34 percent of the children seen in January of 1968 were paid for by Title XIX funds through the Kentucky Medicare Program or through the special Maternal and Child Health Clinic funds. Accordingly, we treat a large block of children from homes with very limited economic resources. In the past three years, with the help of a number of programs -- namely, the Children's Bureau Special Clinics, Title XIX, expanded State Welfare Programs, -- I have not had occasion to see any severe cases of malnutrition, so that perhaps my observations of nutrition are not as bad as they might be if I were living in some other county in this area and certainly they are quite different than when I came here twelve years ago. The current nutritional problems which we see in children are less dramatic and much harder to prove statistically. Yet I still feel that far too many children in our area are getting a diet that is both qualitatively and quantitatively inadequate.

As an example, we surveyed 109 preschoolers for our Rural Day Care Centers in Harlan; the criteria to get a child into this center is that a family must have an income of less than \$1000.00. In doing our survey we found these children were smaller than expected for their age, both when compared to standard developmental charts for the United States and also

when compared with other children in our area. Thirty percent of these children fell below the third percentile by height; while by definition only 3 percent should have fallen in this category. It was one third of it. And 17.5 percent fell at or below the third percentile by weight. The second thing we found was that about 50 percent of these children were infested with intestinal parasites. This was found when only one stool was examined, and if more had been done I am sure the percentage would have been higher.

Q.1 What was that?

A Intestinal parasites. About 60 percent of these children have fairly severe dental caries on gross dental examination by a pediatrician. If a dentist had examined them probably the percentage would have been even higher. Interestingly enough, we found very few physical defects in these children, since most of the children in our county six and under have been pretty thoroughly screened. Also, much to my surprise, we found no evidences of any anemia in these children.

Q.2 Why was that?

A I don't know. I think again it may have been that these children have been in this Day Care Center a while and were getting a pretty good source of iron. In contrast, when we survey infants in Harlan County from our poorer families and compare them to children coming to our private office and to the Clinic we run for the U. S. Steel Company at Lynch, there's a very dramatic contrast in the growth of the children. About a quarter of the babies we see fall below the normal for their age in weight. Anemia remains a very great problem in our infants and very many of them have severe anemia by the time they reach age 1. Contrary to the commonly discussed belief, vitamin deficiencies are not a problem in this area. I have never seen a case of rickets in a child of the Vitamin D deficient type in this area, and we only see about one child a year with scurvy, and have seen no children with scurvy in the last three or four years. Another significant point is when we compare our children who are from the poor families who are receiving some form of federal medical aid, these children on the whole spend half again to twice as long for each hospital admission. By this I mean if we have a child who is well cared for, who gets pneumonia, and the child from the home of poor nutrition gets the same illness, we expect it to

take twice as long as the child who has no evidence of nutritional deficiency standing behind him.

I would like to stress, however, that as we discuss hunger and nutrition in this area it is not only necessary we see that people get the adequate source for buying food -- I don't see how most people can feed families on the food stamps allowed... I shudder when I see what my wife spends for our family of six...I think there are certain cultural and educational problems that anybody coming here must consider. In the first place we need much more active homemakers services in this area and a County extension Agency. People have, by custom, in Eastern Kentucky functioned on a diet high in protein and I think we need to help them in planning and arranging for balanced diets. In working with homemakers and social workers to study the families of children who are repeatedly admitted to our hospital with repeated infections and failure to thrive, we often find that although mothers have assistance with welfare checks and food stamps, this still is not enough to remedy the child's problem. In the vast majority of patients we see who are receiving assistance, I continue to be amazed at the wonderful job they do in caring for their children. I have seen mothers with very limited incomes and large families who receive welfare checks or food stamps, sacrifice to give their children special feeding which I have outlined for them. These people need guidance with their purchasing. I find many of my poor families that I care for will go to the little local store each day and buy food for prices twice again as much as they are in the super market, and this brings up another problem, of no refrigeration, running water and things like that. I think a great deal has to be done in changing some of the patterns and habits if we are going to improve the standards.

What I would like to do is just make a few comments on health care in this area because I think it hinges on nutrition. We have been very fortunate in that the Children's Bureau Special Clinics blessed us four years ago in Harlan County with two project grants to provide money for prenatal and new born infant care and special pediatrics clinic, and more recently we have been blessed with Title XIX, for which I desire to speak very highly of. I think it's very stimulating and encouraging to me as a physician to see the drastic change in health standards recently, that children in our county and Harlan are doing better since they can now come with dignity to a pediatrician and get care and medical aid, and one of the things I would like to present to you gentlemen is that we can see an increase in these programs in Eastern Kentucky. One big problem is

the state can't come up with matching money and we have to curtail them. The thing the lady said earlier, many people don't have enough money to get the food; they can't get down to get the food stamps; they have to pay someone \$5.00 to bring them. We must have mobile units, and I think that our legislature and the federal government should think in terms of direct grants to health groups in Eastern Kentucky so that we aren't constantly tied up by political problems of matching funds.

I'll stop and close because I know you are running late.

The next witness is MRS. LYNN FRAZIER,
Public Health Nurse, Letcher County.

SENATOR KENNEDY:

Q.1 Would you identify yourself?

A Mrs. Lynn Frazier, a public health nurse for the state of Kentucky. And I'm working with the special program that Dr. Fischer just told you about, in the maternal and infant care project, and I'm going to speak positively as a Public Health Nurse, and what I'm interested in is this business of nutrition in our area in Letcher County, and what a Public Health Nurse would like to find in a child when she sees it is a steady gain, as Dr. Fischer said, in height and weight, and good bone and good teeth development; good posture, good muscle tone and good clear skin and eyes, plus alertness and curiosity. All these things, of course, reflect proper nutrition. In my work I find two big problems for our area, for our public health workers to improve health and nutritional status of our people.

1. As you have all heard, low income. A large percent of our people earn less than \$3,000.00 a year, and 12% of our people earn less than \$1,000.00 a year. Now, they obviously -- with that kind of money -- that the groceries coming into the home are going to be very small in their nutritional value, that you can get on that kind of money is not going to be adequate. It's going to fall way, way short of it. From a medical view point -- from the nurse's view point -- we have to remember that the critical growing period for a child is between 3 and 4 years of age. All growth and development takes protein; for the bodybuilding cells. The earlier a child is deprived of this needed protein the worse -- the less development is going to take place, if he is improperly fed. At age 3 a child's brain is at 80% of it's total growth, at age 4 it's at 90%. A child needs protein early in life,

contrary to what most people think, that you get it when you get in school - that is not so. Due to our low protein diets in Letcher County and in other Southeastern Kentucky counties, we have a high incidence of children who appear dull and listless and are undernourished. We see them in our Pediatrics Clinic, in our schools and on the streets, and in our home visits. Dried beans, potatoes, corn bread -- all of these taste very good to us who can eat other things -- but when this is the staple diet, you can see what is going to happen, contrary to popular opinion. This is protein but it is not a complete protein. It needs the addition of animal protein in order for the body to utilize this, and without it there is no good protein. So many of our people's homes, where we see many of our problems, go right along with this low protein diet. We see reduced learning ability and reduced memory; many behavior problems-- protein, I'll say it again, protein. Although we aren't finding severe malnutrition but very rarely, we have seen some rickets over the county and what we are dealing with now are rickets -- the past effects of rickets -- we don't see rickets as is, or any of the other associated diseases, with nutrition, like beri beri, pellagra, scurvy, we are finding that poor diet habits contribute to other health problems and are a factor in the cause of death in our state and county.

My second point is that of education and it's not new -- you have heard it all morning -- but from a public health nurse's point of view it's a lack of dedication. Some Pediatricians have said that it's too late when a child is in school to reach him, but for public health nurses, we feel it's better late than never for those of us who are trying to improve the nutritional status here. It's very important for mothers to know why and what the family needs and this is something that is certainly lacking, so that she can provide to the best of her ability, and she finds this -- the best of her ability with what little resources she has. This has to be taught, and I feel it should be taught in the schools right along with reading, writing and arithmetic, so that our young girls are constantly exposed to the proper selection of food, for instance, and how to choose, inexpensive foods that will provide the nutrition, and how to preserve these foods, and what they buy and the equipment they need to prepare it, and how to make what they have do as well as they can.

Q.2 There is not much of that done?

A No.

Q.3 Do you think that would be a problem that could be introduced in the school system. It would be very, very helpful for a girl later on in her life.

A I feel that all children should be exposed to this as a required course, starting in the grade school level because when you get children in the high school age you are going to find they are of -- in the drop out age, and maybe these girls are not going to receive this information, and they are the future wives and mothers and the same things we see now are going to be perpetuated over and over. In working with the M & I Care program we have found that one of the predisposing factors toward prematurity is anemia. Usually all we see are iron deficiency anemia's but most of our women are what we call border line, hemoglobin or blood count of 15 is normal, but what we see are women with 10 or 11, and this is not anywhere adequate. Our infants too need to be watched very carefully from the time they are born because foods that provide the iron they need at three or four months of age level, when their stored up level is gone, many are too expensive and too unfamiliar to the patient; cereal and meats, especially beef and liver and eggs, and green and yellow vegetables, those are supplemented most times with beans and mashed potatoes and gravy. Here again starches, a little bit of protein, are of very little use to the child. Our teenagers are faring worse sometimes and especially our pregnant teenagers, because their allowances are very much reduced because of their erratic eating habits and many of our prenatal mothers come away below the protein level they need for their second half of pregnancy that is so important to their growth.

I'll just take a minute to talk about the older people too who also need help in this area, because many of them live alone and they have a reduced income. They are limited so far as their cooking is concerned and refrigeration facilities and water and so on, marketing difficulty for older people, and many times poor or no teeth at all. All of them need to be taught this early in life so that they don't come up against these things later in life, and finally, unless our girls are given better opportunities to learn these things and to remember the importance to make sure they learn, they won't be able to do any better than their mothers do now, when they become our wives and our mothers.

Q.4 I gather from what you are saying that the food which people who are in these low income levels -- the food situation is really not

satisfactory?

A It is not satisfactory, but I feel that even though many of them are on programs and can do better, they don't have the necessary knowledge to use this properly and that is the biggest problem that I see in public health.

APPLAUSE

The next witness is WINCEL E. RABORN,
County Developer, LKLP Community Action Council

SENATOR KENNEDY;

Q.1 Would you identify yourself?

A Wincel E. Raborn, employee of the LKLP Community Action Council.

Q.2 Do you have a statement?

A Most low income families shop at small general stores in their communities. They do this because of: 1) Transportation. It is not practical, and occasionally next to impossible, for many families to get into town on a regular basis to shop. 2) Obligation. Most low income families are in debt to the local store owner. This makes them somewhat dependent on the store owner, and they feel obligated. 3) Education. I use the word "education" with some reservations, but frequently families do not realize the advantages of shopping in a larger food store, i.e., larger selection, lower prices, etc. Because they shop at the small local store, they eat a limited variety of foods, and frequently do not get a very well balanced diet.

The Federal Food Stamp Program is serving a very real need. If it were not for the program, hunger would be easily recognizable in the area. However, there are many ways in which the program can be improved. Below are several major problems and my suggested solutions:

1. PROBLEM: Families with no income have to pay for their food stamps and have to produce a statement from the person who loaned or gave them the money, saying where they got the money.

SUGGESTION: It would seem to involve less red tape for Economic Security, and simplify matters greatly for the recipient, if families with no

income could get stamps free.

2. PROBLEM: Certification and issuance of food stamps are at two separate stations. Usually families have to come one day and get certified, and another day to get their stamps, except on months when they don't have to be certified.

SUGGESTION; Arrange it so families can be certified, pay for, and receive their stamps at the same office.

3. PROBLEM: Items such as soap, cleaning equipment (mop, broom, etc.) cannot be purchased with food stamps. Frequently, these items are desperately needed by families, and the families cannot buy them.

SUGGESTION: Certain staple items such as those cited above should be added to the food stamp program.

4. PROBLEM: Many of the problems involving food stamps stem from the fact that some women do not know how to manage their budgets. The purchasing power provided by food stamps is small in comparison to what the average American family spends for food. Because of this the utmost in skilled management and ingenious use of food is required. Yet many of our poor families are without this ability.

SUGGESTION: Assign a nutritionist to each food stamp office to work with mothers on an individual basis. Homemakers, as Dr. Fischer mentioned, and nutritionists employed in this area.

* I would like to say the Federal food stamp Program is serving a very definite need and without the Food Stamp program we would certainly be in very much worse condition than the present situation is.

* As to where they got the money. This is not a local regulation but a state regulation. It would be simpler if families that have low income would not have to pay for the food stamps. Along the same lines, some limitations would have to be set up to see this system is not abused.

Thank you very much.

The next witness is MRS. PAT GISH, Housing Resource Developer Leslie, Knott, Letcher, Perry Community Action Council.

I'm Pat Gish. I also work with the LKLP Council. I would like to talk about the inadequacies of the U. S. Department of Agriculture, since it apparently believes that the poorer you are, the less you are entitled to eat. That's certainly the conclusion you have to reach after a study of the Department's tables setting up the basis of issuance of food stamp coupons.

For example, a person who has no income at all is entitled, according to USDA tables as administered by the Kentucky Department of Economic Security, to food stamps valued at \$12.00. This is his entire food allowance for a month. But if he earns \$90.00 or more, he is entitled in the table to \$24.00 worth of stamps, or twice as much food for the month as the person with no income.

A family of eight, with no income, receives only \$82.00 worth of food stamps for a month. If that same family had earnings of \$350.00 to \$379.99, it would be entitled to \$140.00 worth of stamps to keep it in food for a month.

I took a shopping list and went to a local supermarket yesterday to buy for a family of eight, and what I came up with, on the Department's own list, was \$155.00 for the family receiving only \$82.00 worth of food stamps, so it's no wonder they run out.

Q. What again?

A The cost of food which the Department of Agriculture Cooperative Extension Service says would be needed for a family, for a month, of eight people, comes to \$155.00, and this is no frills or anything, but the amount of food stamps you would get if you had no income is \$82.00, and even if you had the total allowance it would only be \$140.00, so there is not enough money to do it. Of course the family with income has to pay more for its stamps than the family with none, and therefore it receives less actual cash benefit from the stamp program than the poorer family. But it seems terribly unjust to say as a matter of public policy that children whose parents have no money at all cannot get as hungry as those whose parents are better off, and that even if they do, federal and state regulations prohibit them from receiving enough food to satisfy that hunger. Surely, if malnutrition is a major factor in mental development and childhood illness, we are compounding the injury to the child by denying his family the amount of food needed to keep him adequately fed and compounding the future welfare debt of the country by insuring that he will be slower to develop and less able to fight off disease.

Every food stamp family I know runs out of food before the end of a month. It may be a week, it may be a week and a half, but there is seldom enough of everything to eat during the last few days of the month. And it is not a matter of poor management. It's simply that the price of food is climbing faster than the benefits of the food stamp program.

The shopping I did would have provided meat at least once a day, but as a matter of fact many food stamp families have to depend on dried beans as their source of protein and they are lucky to have meat more than once a week. Even a family with the maximum income allowable to remain eligible for food stamps would have received only \$140.000 worth of stamps, still nearly \$20.00 less than the amount needed to provide a proper diet. Had I shopped at a smaller neighborhood market, or country store, which cannot benefit from the volume purchases of a supermarket, the prices would have been from 10 to 25 percent higher and the amount of food available to a family for it's food stamps would be 10 to 25 percent less. Many families, however, have to shop nearer to home than the county seat supermarkets, because they have no way to get into town. If you have no car and must depend on your neighbor for a ride, you often have to pay \$5.00 for each trip you make into town. If you have no refrigerator, and many families do not, then you must buy small amounts at a time and the trips into town get to be a major item.

The food stamp program also seems to punish initiative. A family which is on public assistance can receive more money per month and remain eligible for food stamps than a family which has income from a job. The most an eight-member family can receive from some source other than public assistance and still remain eligible for food stamps is \$230.00 a month. But an eight-member public assistance family can receive up to \$379.99 a month and still be eligible, according to the Department of Agriculture's tables. Thus, we complain that poor people are sorry and won't work and then reward the industry of those who hold jobs by giving them fewer food stamps. A family with no income often has a harder time getting food stamps than one which has some money. Because of the chance that the family's circumstances may change from month to month, a family with no money is required to be certified for food stamps every month. This involves a trip to the public assistance office to apply for the stamps and a second trip from three to five days later to get the stamps themselves. At \$5.00 a trip, that becomes a major item, especially when you don't have the first \$5.00. Food stamp workers themselves will tell you they don't understand why the rules are this way, but they are. One suggested that a more reasonable way to handle this situation might be to permit certification of a no-income family for three months just the same as other families. Then, if there were some change during the three month period, the amount of overpayment could be deducted a third a month from the amount of stamps received the next three months. This would cut

down on trips to town for the families and paper work for the public assistance office.

In fact, I can't understand why a family has to come to town to get food stamps each month anyway. Why not mail them - - by certified mail if necessary -- after the family has mailed in a money order for the required amount? Or why not let a public assistance family sign an agreement for the amount to be deducted from its check and let it receive the stamps along with the check? We are very careful to prohibit revealing the names of public assistance clients, but we make them stand in the courthouse hall hour after hour month after month, waiting in line to receive food stamps, in full view of anybody who cares to look.

Another Department of Agriculture food program which might stand some revision is the so-called free lunch program. Our Letcher County school lunch program situation is that everybody who is in desperate need eats, but it couldn't if it were not for the money contributed to the lunch program from the supplementary payments. What we do is supplement it in this very school. Title I funds puts \$1500.00 into the lunch program every year. I think this money could probably go somewhere else with benefit, if the school lunch program worked properly. The way it is the lunch rooms have to stay "in the black". They can only feed a certain percentage, according to the amount of people who eat there and pay for it. If it were a relevant area, where affluent people were, it would be different, but here it differs because here more than half the school is classed as indigent, so the system is just set up wrong somewhere.

SENATOR KENNEDY:

That is most helpful and I think out of this hearing a lot of things can be done. I can't give you an immediate answer to all the problems that exist in this area but they can be improved, and things that can be done that can improve a lot of people's lives, which are relatively inexperienced, just better management of the problems. I think you have made suggestions, as some of the others made, such as transportation, the basic kinds of problems, which are not terribly expensive, but which would make a major difference in the lives of some concerned, and your suggestion about how people should know about ways to treat food which is not available, perhaps we can do more about that. After our hearing in New Mexico a year ago we were able to lower the price of food stamps and we suggested at that time the food stamps be given away and nobody be charged for them; the price finally came down to 50 cents; we hoped they would take the next

step this year and we will work on it, but there are things to be done in Washington; we can't make all the problems disappear but there are things we can do to make improvement, and the state and counties and the educational system and the school system here, all these others could also do, so it just can't be left to Washington or the federal government to find out what they are going to do. It has to be the people here, the state government, the county governments and local communities.

A One thing which might work out as far as transportation is concerned -- I have never understood why the stamps couldn't be distributed by mail. You have one time to apply, that costs you \$5.00 and then \$5.00 later, and I understand it's going to be longer than that next month; you have to come back again, and that's \$10.00 and it seems ridiculous when they don't have any money at all.

SENATOR KENNEDY:

We will see about that and see if there can't be some improvement, and we will write to you and any of those interested local officials; we will try to give them the answers in what we are doing and trying to do and each further function and what the status is.

A. We are very careful to keep people from having their names revealed through Economic Security office if they are on welfare, yet every month we push them in line in the courthouse and stand them in line to get food stamps -- which is ridiculous!

CONGRESSMAN PERKINS:

First, I recommend the program. Our office in Washington has jurisdiction over this matter. We passed the Nutrition Act I think a year or so ago, and we have been concerned about childhood development, we are concerned about better nutrition and adequate food and in 1962, when in the late President Kennedy's lifetime, we sent upon the hill a bill which would provide lunch room facilities for all the school districts in the nation that needed facilities, to indorse this bill, and we have never been able to get funded; The House Committee of Appropriations Act, that important part of the School Lunch Act, which provides for facilities in the school rooms that needed school lunches in this country, so we came along with the Elementary Secondary Education Act, and as you stated, Mrs. Gish, funds have been diverted from that fund, special education, special

program, but it should be done where it's necessary, and under the Nutrition Act which was passed last year free breakfasts can be served to needy children, but as Mrs. Frazier stated, this is an educational process to a great degree, getting acquainted with all these new programs we have enacted, putting them into operation.

Concerning the food stamps, again I can go back to 1963, the first county in the United States that received the food stamps was Floyd County, Kentucky, and all of these counties I have made it possible, to have seen to it that every county in this Congressional District that wanted food stamps were able to get food stamps, and I'm a person that believes in the food stamps Act because it provides for better nutrition. I know there are service charges involved and some body has got to service the stamps. The states have agreed to service the stamps. We can do more at the federal level, as Senator Kennedy stated, than we are doing at the present time. There are a lot of inadequacies in the administration of the Food Stamp Act, and in the School Lunch Program, and I'm most positive that we will be able to eliminate a lot of those, Mrs. Gish.

So far as free lunches are concerned for needy children, we contemplated it -- our Committee wrote that law and the public welfare committees -- sometimes there have been amendments -- Agriculture Committee -- that every needy youngster in the country that needed a free lunch would be able to get that free lunch. I know sometimes it may work a hardship where the school Superintendent or somebody else says that's not possible, but here again they can divert ESEA money from Title I for those purposes.

We try to be diligent but we have a long ways to go. Just like we worked sixteen years before we were ever able to pass a School Construction bill. Senator John Kennedy, the late President, back in 1949, backed a school bill which I backed, but we were never able to pass that bill until 1965. We worked diligently; it was just one of those things that come to us. If we were able to keep our excise revenue from tobacco or from whiskey that we pay into the United States treasury. I made the argument seventeen years ago for federal aid to education, community colleges, that we would not be calling on the federal government for help, but these taxes go to the federal government, and our cost is gone out of here and people in other states, as Mr. Caudill so ably told you, reap the benefits of these operations. I made these arguments back in 1949 for a general federal aid to education bill but we were never successful until a few years ago. So

many of these programs are new and I know there are a lot of inadequacies. Likewise I know the presenting of your views here this morning has been most helpful and will give us the insight to straighten out many of these inadequacies when we have the legislation before us and it's continuously before us, and I'm very much impressed by this discussion here, by this panel, and I certainly want to cooperate with you in every way possible.

SENATOR KENNEDY:

(Addressing his remarks to Tommy Duff)

We contacted the Harlan High School, the Principal was not there today but his secretary said she would pass along the word. The Cumberland High School Principal said he would excuse all the students on the basis of his word but they could come to his office today so he could check their names off, and the Principal at the other high school said he would be glad to excuse them if they would come by his office this afternoon.

The next witness is HOBART MAGGARD from Perry County.

SENATOR KENNEDY:

Q.1 Identify yourself.

A I'm Hobart Haggard from Perry County. The WE&T Program has been wonderful in several ways -- helped feed the children -- there's education in it. There seems to be a little problem there now in this -- we have been offered jobs, the people have, and some of the boys cut off, and they are promised other programs the next month, and I wonder if there is a program the next month for these people.

CONGRESSMAN PERKINS:

Q.1 I'll answer by stating that we have been so informed that -- in Washington -- that you -- did you receive a letter from me? Either of you gentlemen?

A No, sir, I didn't.

Q.2 I feel very confident that -- had you received a notice you were going to be cut off?

A The other men have. Some of them have. I'm not working with the program now, on the WET.

Q.3 Do you know whether it's providing for these individuals under the Nelson Program for a new program, the ones that are supposed to be cut off? That you know anything about?

A No.

SENATOR KENNEDY:

Q.2 Has the Program trained the men for jobs that are available in the neighborhood or county or the area?

A They have trained men and still training them but there is no jobs available in the community after they finish their training.

Q.3 What good does the training do?

A Well, it just helps provide a check in most cases until they finish the program and then they are dropped from the program.

Q.4 But there is no industry in the county or in the areas which would hire them?

A Which would provide jobs -- no.

Q.5 It doesn't really make much sense, does it, to have a federal program to train people for jobs that don't exist? It sounds good. I suppose it looks good, statistically, the reports that are made, that "we trained so many people for jobs", but if there are no jobs at the end. It's not very helpful.

CONGRESSMAN PERKINS:

Some of the boys in the House of Representatives they realize the conditions.

Q.6 Anything else you want to say?

A No, that's all I guess.

The next witness is FRANK COLLINS,
Letcher County.

SENATOR KENNEDY:

Q.1 would you identify yourself?

A I'm Frank Collins from Letcher, Kentucky.

Q.2 Would you tell us what your experience has been, Mr. Collins?

A I worked on the WE&T Program for about two years and they transferred me to the Manpower developing school, and after that I had to quit on account of my wife taken sick, she was paralyzed, and I never got to finish the course, but the program called WE&T just sends me a check but I didn't get to complete the Manpower school and if I had there wouldn't have been nothing around here I could have worked at. It's a good program. Of course I still could work on it but my wife is not able to do nothing, so I had to drop out of the school.

CONGRESSMAN PERKINS:

Q.1 What income do you have now?

A None, just food stamps is all.

Q.2 Have you made application to go back? Have you applied?

A I filled out an application for the WET Program but they said what I would have to do now is set and wait, but I don't know how long.

AUDIENCE LAUGHS

Q.2 Did you drop out of the MDT Program yourself, because of illness in the family?

A Yes, sir.

SENATOR KENNEDY:

Q.3 How many in your family?

A They is five of us, sir.

Q.4 How much do you receive?

A \$60.00

Q.5 For food stamps?

A Yes, sir.

Q.6 And that's for the month?

A For a month.

Q.7 You don't have any other source of income?

A No, sir.

CONGRESSMAN PERKINS:

Q.3 When did you drop out of the MDT Program?

A The 28th day of August.

Q.4 Can you get by with that food per month?

A It's just a get by; you can't have what you actually need to eat on it, and as far as -- I have house rent and coal -- I have sold my stove and stuff to get by on it.

Q.5 What kind of training did you have?

A Maintenance.

Q.6 What?

A Maintenance, just a little bit of carpentry work and painting and electric and plumbing.

SENATOR KENNEDY:

Of course we talked about if we had this program coming in, so much needs to be done in this area, where you can use these skills, and this housing that needs to be constructed, and plumbing facilities -- all these things need to be done desperately in Eastern Kentucky. We have the manpower and we have the resources in the United States, it seems to me we should bring them all together and get them on the job.

A Yes, sir, but they are just training now and the months I went we painted -- supposed to have 90 hours painting, and we painted over 200 hours on it. It was set up so quick we didn't have it to train with. We done more painting than anything.

Q.8 Thank you.

A You are welcome.

The next witness is CLAY COLLINS, from Perry County.

I'm Clay Gollins of Hazard. I worked two year and a half on the WET Program. I was took off the WET and went, under Manpower, and went to the vocational school six months and I was dropped. That was all.

Q.1 Why were you dropped?

A The class was over; it lasted six months, 24 weeks.

Q.2 What did they train you for?

A Maintenance, the same as his.

Q.3 And are there any jobs?

A No jobs.

Q.4 What did they tell you they were training you for?

A Said when the training was over that was all of it; that was all they

could do. I was on my own.

Q.5 Did anybody contact you about finding a Job?

A If I went up north somewhere, up around Detroit or somewhere out of here, we might find a Job; some went and come back, they didn't find the work supposed to have been there.

CONGRESSMAN PERKINS:

Q.1 What did the Employment Service tell you when you completed your course?

A Told me that was all they could do for me.

Q.2 Didn't say they had a job for you?

A No.

Q.3 Did you check later?

A I never heard about it. Asked about a job and they said they don't have nothing open. If you will leave out, you know, they will talk to you, but otherwise they won't.

Q.4 Did they tell you they had a job for you somewhere?

A Said go out of here somewhere, up in Ohio or somewhere, they would let me know, but I never heard nothing from them.

SENATOR KENNEDY:

Q.6 But the fact is these places in the north are in the same situation.

A That's right.

Q.7 It doesn't make sense, with the problems we have in this community, pouring out of these communities into these northern communities, and trying to find jobs, and crowding in, under unpleasant circumstances, we should have industry here. This is where the men are. This is where the manpower is -- the energy is, in this area, it seems to me.

It may not be easy, but if we can't bring industry in, the government should provide it obviously, when so much needs to be done in this community and neighboring communities. I think that's what the government should do, without any question. Whether they will do it -- that's a different question.

A I would ask why they take men off welfare that's not able to work and men too old to hold a job if they could work or could take a job -- 50 and 55 year old -- and send them to vocational school and train in the first place? They are not able to work and have been on welfare, and over 55. We had two men in their 60's went in the class with me. Why should they train them?

Q.6 Thank you.

The next witness is CLISTON C. JOHNSON,
From Letcher County.

Ladies and gentlemen: I'm Cliston Johnson from Partridge, Kentucky.

SENATOR KENNEDY:

Q.1 We will make your statement a part of the record. Tell us what you have to say, and we will make this a part of the record anyway.

A What do you mean?

Q.2 If you will just tell us what your own personal experiences have been.

A I couldn't hardly tell you. I've got it wrote down here.

Q. 3 That's going to be put in the record. I would rather have you tell us.

A Well, I have been unemployed since last September. I formerly worked on the "Happy Pappy" Program, but I was on state welfare before that, and they cut me off state welfare and put me on the "Happy Pappy" Program, and I worked about a year and we had what they called a little

"talent test".

Q.4 Mr. Johnson, excuse me for interrupting you. If it's not a long statement you may read it.

A Oh, you want me to read it?

"I am indeed glad to have among us poor people these honorable representatives of our government. Since the poor people are involved, I believe the poor people should have a voice in this matter. I typed up a few words for the information of these Senators just in case we could not talk personally to those honorable Senators.

Although we are in the center of the United States here in the mountains of Eastern Kentucky, we are isolated from the rest of the world, and, although we are some of the proudest people in the world, we have always been the laughing stock of the rest of the nation. We are the target of television, the movies, books, and newspapers, and downgraded as the most ignorant and unlearned people in the world. This is not true by a hell of a long shot. True, we are poverty-stricken people, but not sorry as some may believe. We are only in poverty because our political leaders have sold us down the river and because we have had no worthwhile representation. Most of our leaders live in the Blue Grass and are not interested in the mountain people after election time. I appreciate the efforts of President Johnson and the few Congressmen and Senators who try to help us poor people, but so far, they have hardly reached the poor man. Ninety-nine percent of the money appropriated for poverty in Eastern Kentucky is spent before it reaches us. Office workers and other well educated men and women draw large salaries, and the poor man gets the crumbs that fall from their tables. The poor man has to stand in line for hours hoping to get a measly little handout. He is as much out of place in their air-conditioned offices as a worm in a miniskirt. And when someone is cut off a government program, it's always the poor man. Although nearly all of the men on the WE&T Program were cut off, they still keep the same amount of personnel. These past programs haven't changed anything. All we poor people want is to be able to help ourselves. We need a worthwhile program where the poor people can have a job and work for a living. We don't want to depend on the government all our lives. It seems to me that we are being held in the poverty line intentionally. For instance, if you live in a housing project, and you make a little extra money, they raise the price of your food stamps. If you are on a government program, although you work for

your money, you are not allowed to pay Social Security.

My total income is \$60.00 per month. Food stamps takes out of this \$26.00 which is badly needed for light bills, school lunches, and a hundred other things. The more you make the more they take. How can a poor man get on top? I, like many others, am unemployed. I have nine children in school. We need free school lunches, but, if you have any income at all, it's the same story. They want it all. Sure, I took a course -- what the MDT called training -- for six months. I painted like fighting fire for the Board of Education. My course was supposed to be maintenance training, but I wound up like all the rest of these men -- no training at all. Although we were taught to weigh gold and write checks, who in the hell could write checks if he wanted to? Our instructor was paid \$40.00 a day on top of the already fat salary he was being paid by the Board of Education. He was supposed to teach us carpentry, but I assure you he couldn't cut his way out of a wet paper bag with a hand saw. Sow we are supposed to be trained. The WE&T Program still exists although I don't know why. There are very few men left on this program, I can't get on this program -- who in the hell was it intended for? What we need is a work program for all poor people -- handled directly by the government or by the poor people themselves. This would eliminate all politicians and all men who have become richer from the money appropriated for poverty-stricken people." I thank you.

SENATOR KENNEDY:

That was worth waiting for, Mr. Johnson.

The next witness is GILLIS BRASSFIELD
from Whitley County.

I'm Gillis Brassfield from Whitley County, I'm 50 years old. I'm the father of eight children, I have three children in grade school. I have one in the University of Kentucky. I'm one of these retired coal miners who has abscess on one lung. I have a fused back. I live only from Social Security alone. I draw the sum of \$189.40. I have been turned down for the welfare for -- I was turned down for four years -- for the welfare. I was down -- I couldn't help myself, and I finally got a little better, enough to where I could get around, and I would like to ask one question: Are we trying to cure poverty or trying to bring it on? The answer to you. I have a solution here. "Don't ask what your country can do for you, but what you can do for your country". A man don't know what he can do until he tries. We have

vast lands lying idle. We need more instructing for farms and dairy products throughout the state of Kentucky. We need work throughout the Appalachians for the public, all of the people, something substantial, and push this poverty away from us, make tax payers instead of tax dodgers. Let us tell it just like it is. Our resources are leaving our country, as Mr. Caudill said. There is nothing left for the poor people. They are left standing out in the cold and weather, depending upon the federal government, and not tax payers. So in order to cure the poverty we must try to do something for our country ourselves. We must work together -- form Community Action, which is a mighty good thing, and that which I have been trying to do in Whitley County. I get very little support from the county officials but I keep trying and trying to bring industry. We are trying to bring cooperatives and food markets into our own county and then buy from our own selves; we want to work for what we get; we are not ignorant -- we are not stupid, but we want to work for what we get and don't want to leave our homes to try to go somewhere else, so I thank you all.

SENATOR KENNEDY;

Q.1 Mr. Johnson, going back for a moment, is your total income at the present time \$60.00 a month?

A Yes.

Q.2 How many in your family?

A Fifteen.

Q.3 How many do you support?

A All of them -- fifteen.

Q.4 How much in food stamps?

A \$112.00 a month food stamps, and costs me \$26.00 a month.

Q.5 And that leaves you \$14.00 for everything else?

A Yeah, and then there's your light bill and other things it takes to live,

Q.6 And how much in food stamps do you have a month? \$126.00?

A \$112.00 food stamps. We get \$112.00 and costs \$26.00 a month. I've got nine children in school, and you know this day and time you are laughed at if you pack a lunch, and if you don't have a little money for lunch bill, why you are in trouble.

Q.7 You support fifteen people in your family on the \$112.00 food a month?

A Yes, I do. I mean now, you know...

Q.8 You have \$14.00 for everything else?

A That's right. I mean that's what I've got income that you can see. Of course I'm not able to work but I get out and do what little bit I can -- trade and traffic around. It's not easy. These food stamps lasts this family only about two weeks, and from that on it's beans and bread and the next week it's bread and beans.

LAUGHTER

We change it around that way and get better meals.

Q.9 That's \$2.00 a week? That's about 30 ct. a day?

A That's right.

Q.10 That's a dime a meal.

A That's the only income we've got.

Q.11 Do you save anything?

A We catch the rest of it. I mean like it was back in the old mountaineer days, you know, we catch what we eat.

LAUGHTER

I've been cut off since last September and they ain't just nothing for me. I'm supposed to be a trained man. I was told by a man from MDT I was put on probation because I wanted carpenter training. I told him I wanted training, I didn't want to depend on the government all my life; I had a big family, and they sent a man from Frankfort and he put me on probation, and this advice he give me: said "Young man, let me tell you something, my advice to you would be to drop out of this school now, because when this school is finished the government la going to say we have trained you, and if you drop out now"-- I was just a little ahead of him -- "and if you drop out now you might get on some other program, but when you take this training the government is going to say "you are trained". Now I know how to weigh gold and how to write checks, over and over,

Q.12 Did they teach you how to write checks?

A Yes. They tried to teach us them square roots. I never went but to the fourth grade. I never learned long division much less square roots, and it was like living under the "Kangaroo law". In that school, a old school teacher that ought to be retired years ago, and they pay him \$40.00 a day to teach us to weigh gold in these mountains. Before my God, that's the truth! And if you say anything about it here comes the man "You better quiet down, we will have to throw you out, we will bust you". This is the kind of things we have lived under. You gentlemen in Washington, better classes of people, you don't get to hear how we really have to live here. I mean you have to be hungry or have to see your children go to bed hungry -- that's what a poor man lives like. You ought to come to my house sometime and see them fifteen kids in the bed -- did you ever see fifteen kids in three beds? That's the way we live now. It ain't really like these fellers tell you.

Q.13 I'm moving in that direction.

A I'll show you how to divide fifteen into three. I would like to give these people one more tip. How we manage this: The more children you've got you just add a little more water to the gravy.
Thank you.

SENATOR KENNEDY:

David Zegeer, Division Manager of Bethlehem Steel at Jenkins,

Kentucky, who has requested an opportunity to testify because of Mr. Caudill's testimony:

Senator Kennedy, Congressman Perkins: My name is David A. Zegeer, Division Superintendent of Beth-Elkhorn, subsidiary of Bethlehem Steel. We are quite honored to have you gentlemen here with us, but I thought it might be well to bring out a few points.

I do agree with what has been said already that our main problem in our area is the lack of good roads to attract people -- to attract industries other than coal. Vocational schools above all are very necessary. In fact, Congressman Perkins has been instrumental in getting a vocational school started in our immediate area. I wish to thank you publicly for that, Congressman Perkins. One thing that I want to delve on though: the gist of what has been said is that industry is bad — absentee ownership -- whatever that means -- that that is bad. I might mention Bethlehem Steel has 800 stock holders in the state of Kentucky; they are the stock owners of the corporation.

Q.1 How many stock holders?

A In the thousands, sir, I don't know, but I do know there are 800 in Kentucky.

Q.2 I suppose if there are 800 -- out of how many? That's the question.

A I would say 50 to 75,000. I really don't know.

LAUGHTER

There are 800 here, but I'm not interested in names primarily. But I do want to leave this with you. Eleven years ago...

Q.3 (Interposing) You say that was -- you would hardly say that was a Kentucky owned company, would you?

A Well, there is 800 stock owners in Kentucky. But eleven years ago Bethlehem bought the operating property here in our area and the thing I was wanting to impress on you, I was here before Bethlehem came, but Bethlehem coming here was one of the finest things happened to this area.

I do wish to leave these figures with you: One is that last year we produced 2,300,000 tons of coal, which left \$950,000 in the Mine Workers Welfare & Retirement Fund, to help support the hospitals. In addition to that we donated \$50,000 to these Appalachian Regional Hospitals, and that is one of the important things I think has been done for this area, by putting these hospitals in. In addition to that the statements were made we pay no tax. That's not right. Last year alone we paid \$200,000 in property tax; a total of \$500,000 in all taxes. Now altogether in taxes and donations and welfare funds we poured one million and a half dollars in this area. In addition to that -- of course I don't know how popular this will go over today -- but in Letcher County we spent \$130,000 for taxes alone, and we have about 850 employees in this area, which is about 4 or 5,000 people that are supported by those 850 workers, and these 850 workers earn 6,887,693 or roughly \$6,900,000. An average income per worker of about \$8,000. We own 7 percent of the surface in Letcher County and pay 20 percent of the taxes, plus, in addition to the \$6,900,000 left in the area there is that much again for supplemental taxes and other expenses, so that is the side of the coin you rarely see, and I thought it only proper for you to know this so you can have the benefit of what is going on from the standpoint of free enterprise in our area. Again, I'll do my work and see how many other stock holders we have throughout the world. I'm sorry I didn't know that.

SENATOR KENNEDY:

Again I think what we try to stress is that we would like to have more industry in this area and not less industry, and that would provide more jobs for all people. I suppose as you look back over the history of Eastern Kentucky you would have to reach the conclusion there has been absentee ownership, the outsiders have come in and taken the great wealth that existed in Eastern Kentucky, and destroyed some of the natural resources, which have not utilized to the benefit of the people of Eastern Kentucky, and have created tremendous profits for people elsewhere in the United States, and I think -- I would suppose anybody that looks at this situation -- I'm not from Kentucky but I can certainly see what has happened here, and I have read the history of Kentucky, and I know that's part of it. Would you agree with that?

A No, I would not, but I don't think we have time to debate all of it. I think, in part, some of your statements are correct, but also the great

wealth, as you say, it has been left here and not taken out.

SENATOR KENNEDY:

As I go around, as I did and have, I recognized the great wealth that existed in this state; I recognized the great wealth that has gone out of the state, going to all parts of the rest of this country, and then all around the world, and I see people by the thousands with not enough to eat, and obviously, there has not been a proper distribution of that wealth to the people of Eastern Kentucky.

A I do thank you for the opportunity to let me give you at least our side of one operating company in the area. We are proud of the area and like the area. You will not find any better group of workers. Frankly, I might end by saying this, that publicly, we are sorry we don't have jobs for everybody here, but we are one company: we are proud of being here; we feel like we are doing a good job, and I wouldn't want you to leave feeling that any operating company was bad.

Q.4 How much did the new Beth-Elkhorn cost?

A The whole operation was in the -- several hundred thousand.

Q.5 How much did it cost?

A The whole operation was in the millions.

Q.6 How much is it assessed for?

A Eight or ten million.

Q.7 Do you have the full figures?

A No, I don't have the figures.

Q.3 Would you provide those for the record?

A I could dig them up I guess.

Q.9 Mr. Caudill's testimony and the fact you were asking to testify,

raising the question of what he had said, and I suppose one aspect in that is how much the property or somebody's property was assessed at in the county, and one was Beth-Elkhorn at Jenkins, and what it was assessed for. What about the price for the Bethlehem-Pittsburgh-Consolidation Company in 1957?

A In the tens of millions of dollars.

Q.10 How many?

A I would say around twenty million.

Q.11 Could it be sixteen million?

A I don't know for sure.

Q.12 How much is that assessed for? \$200,000? How much is it assessed for?

A The assessment rate for coal lands, depends upon the coal conditions. Each tract of land has a different rate -- some \$200.00 an acre, some \$150.00.

Q.13 I'm just asking how much that is assessed for.

A Our total property tax is about \$500,000 a year.

Q.14 What is its value assessed for?

A I wouldn't have the exact figures but I would put it this way, that when a piece of coal land is bought you pay taxes on it, but depending upon the assessment rate. These rates change.

Q.15 How much do you pay for each ton of coal?

A In the year we mine a ton of coal we pay \$10 the assessment rate on that piece of coal. We do pay a surface tax on coal. That isn't talked about.

Q. 16 What do you pay -- what is the per ton average tax you pay in

Eastern Kentucky?

A We pay \$ 200,000 on 2 million tons, so that's roughly 10 cents a ton. On property tax alone, our taxes, about 21 cents a ton, we pay on our coal, plus 40 cents Welfare fund. That's 61 cents on taxes. Welfare and Retirement Fund alone.

Q.1? What's the 10 cents for?

A That's our property tax. There is a severance tax on coal too. If you mine it. It isn't talked about but we are in effect paying a severance tax on coal.

Q. 18 How much do you pay?

A If you ship a piece of coal, assessed at \$200 an acre, the year you mine into that acre of coal, you pay -- because you report that on your property tax -- you pay at the rate of \$10 what that property is assessed, or at the rate of \$200 an acre.

Q.19 What is the profit per ton?

A The profit per ton fluctuates. Our profit?

Q.20 Yes.

A Well, you may be in competition with me, I don't know. I'll say this, that it fluctuates anywhere -- from one year where a couple years or years ago we lost money.

Q.21 Let's say what it is now.

A Our profit today?

Q.22 What was it last year? I just want to get an answer from you.

A The profit on our tonnage here, it zigzags, some years we lose money.

Q.23 Bethlehem has done pretty well?

A We lose money on our coal here some years.

Q.24 What was it last year?

A Last year, profit was about 20 cents a ton, and yet you have to spend millions of dollars to put these properties in and maintain them and continue the operation as we have.

Q.25 Now would you furnish for the record the purchase price for the Pittsburgh Consolidated Coal Company's holdings in 1956, and I would like to know what it's assessed at today.

A I'll give you those figures right now, and this is ten tracts of land bought by the operating coal company around 1905, and the various companies that came into the area and bought the coal, coal bought then from individual mineral owners. When they bought the mineral the surface owner retained the surface, and still the mineral owner who sold it to the operating company, in these tracts alone, made a profit of 373 percent, and of course as the railroads came in the value of coal arose, increased it, and the longer we went the higher prices became and higher everything became, but from our data alone, tracing back through the years, back to 1880, '71, as these lands were bought and sold from person to person, they in turn, each person, made a profit on them, a profit in some cases of 300 to 500 percent. Here is one small -- the thing we are losing sight of, even though we recognize the problems in the area, we feel as though the word "profit" is a dirty word, and I think there is no shame in private industry making a profit, especially when the profits in our case, all moneys that are spent here.

SENATOR KENNEDY:

Thank you very much.

A You are welcome, sir. I do want to say when I come here I knew I was walking into a lion's den, but I thank you anyway.

CONGRESSMAN PERKINS:

Q.1 Are you principally deep mining?

A Yes, it is, Congressman. It is at this time.

Q.2 Do you contemplate stripping?

A Right now, no, but if we had coal we could strip profitably, and it was the thing to do, depending upon our market, we would do it, within the bounds of the law, as we did before. When we strip mined coal we lived within the limits of the law.

Q.3 I want to compliment you on your additional deep mine you have put in up there. I know it has added to the purchasing power here in Letcher County, and I hope you continue to deep mine and continue to expand.

A Thank you, Congressman Perkins. We like it here and it's a good area and good workers, and we are proud of what we are doing, and I appreciate your courtesy. Thank you very much.

CONGRESSMAN PERKINS:

Is there anybody that knows the charges for food stamps? Come around and identify yourself.

(A man steps from the audience) My name is Arvin Dobson. I'm with the U. S. Department of Agriculture.

Q.1 What was the reason for these charges and whether you contemplate making any changes?

A Well, one of the things that we have a difficult time sometimes remembering is that the Food Stamp Program is a food program only and it's not intended to provide for clothing and shelter and other things. It's utterly to get food now. Now everybody doesn't eat at the same level any time. Many of the food problems that we have in the Food Stamp Program are attempts to divert some of the food stamps to other than food purposes. Now providing for a substantial increase in food consumption in each income level, without providing this proportionate share of food to their other needs, I think the program operates much more satisfactorily, in a more compatible way, with the current economic situation. It does not

give everybody adequate diet. It's really not intended to. It's to provide for a substantial increase; to really bring the people up to a perfectly adequate diet of food you are doing them a disservice in that you can also give them adequate clothing, adequate housing. Why bring one thing all the way up so far above the other level of the needs they have? You do get an attempt to divert the use of the food stamps to other than food needs. We have people at times who will attempt to pay rent with them; who will attempt to buy clothing or shoes, and use them to pay for transportation, because they need those things more than they need the additional food. It's also not in balance with the other economic needs. That's why some fellows at one income level only have a total valuation of \$40.00, whereas in a higher level they might have a \$60.00 level, but the lower the income level the more free stamps they get.

Q.2 Do you feel you penalize the real poor people by that method?

A No, actually he gets a much better break; a person putting up \$3.00 and gets \$70.00 food stamps for a large family, he's getting \$67 .00 free.

SENATOR KENNEDY:

Q, 1 When it finally comes down to the fact that a person in a family such as this doesn't have enough to eat?

A That's the basic problem, isn't it? Or idea, isn't it?

Q.2 I mean that doesn't..

A (Interposing) I agree. They don't have enough to eat.

Q.3 So it's an unsatisfactory situation?

A Yes, it is. This is what they do have, to get, is a substantial improvement on what they had.

Q.4 I agree it's better than nothing. Having something is better than nothing, but it's not enough to eat, to support a family or support themeless or their children.

A It's possible to provide adequate nutrition with the food stamps.

Q.5 Do you think you can get by on \$112.00 for fifteen people?

A So, I couldn't possibly do so because I'm on a different level.

Q.6 I'll bring Mr. Johnson back and you can tell him.

A Not to say anything about Mr. Johnson, but he has other means and other things to supply his needs. He has a demand for cigarettes, which I notice he smoked from a fresh pack, and those cost money, and they do not provide nourishment. Now he has to make a choice of how to use his money. People will make a choice. If we give them more food stamps than they can accommodate they are going to divert them to some other use.

Q.7 Here's a man with \$40.00 to support a family of fifteen. You are concerned if you give him some more stamps he's going to have too much to eat.

A He says he has \$60.00 income, not \$42.00. \$122.00 worth of food is a great deal more than he has been eating before the food stamp program.

Q.3 I agree it's better than nothing: it's better than \$90.00, or \$100.00, but it's not satisfactory.

A No, but it's going further toward meeting a particular need than any other aspect of welfare.

Q.9 The policy is not laid down by you in any way?

A Oh, no, but it works very satisfactorily as a normal thing.

Q.10 No. I think it works better for you than it does for the people who receive it.

SENATOR KENNEDY:

Ladies and gentlemen:

You have been a very good audience. We appreciate your coming in.

I, Ann Rader, Special Official Reporter for the U. S. Senate Subcommittee on Employment, Manpower and Poverty, do hereby certify that a hearing was held at Neon, Letcher County, Kentucky, on February 14, 1968; Hon. Robert F. Kennedy, Acting Chairman, presiding; that all the proceedings had at said hearing were taken down by me in shorthand and later transcribed by me upon the typewriter; that the foregoing 109 pages of typewritten matter constitute a full and complete transcript of my shorthand notes, and includes all the proceedings had, including all statements made by Senator Kennedy, Congressman Perkins and the witnesses who testified at said hearing.

Given under my hand at Hazard, Kentucky,
this the 7th day of March, 1968.

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