FOR RELEASE ON DELIVERY TO THE SENATE OR THE HOUSE OF REPRESENTATIVES

لارد

<u>NOTICE</u>: There should be <u>no</u> premature release of this Message to the Congress, nor should its contents be paraphrased, alluded to or hinted at in earlier stories. There is a total embargo on this message until delivered to the Senate or the House of Representatives, which includes any and all references to any material in this message.

George Christian

THE WHITE HOUSE

MESSAGE ON AMERICA'S UNFINISHED BUSINESS: URBAN AND RURAL POVERTY

TO THE CONGRESS OF THE UNITED STATES:

I.

The Challenge

"The slum is as old as civilization. Civilization implies a race to get ahead. In a race there are usually some who for one cause or another cannot keep up, or are thrust out from among their fellows. They fall behind, and when they have been left far in the rear they lose hope and ambition, and give up. Thenceforward, if left to their own resources, they are the victims, not the masters, of their environment; and it is a bad master The bad environment becomes the heredity of the next generation. "

These are the words of Jacob Riis, the Danish immigrant and American reformer, written in 1902. We may wish that those words applied only to the America of 1902 -- but clearly they apply to the America of the 1960's as well. They describe conditions in parts of every large American city and in pockets of poverty throughout rural America where 43 percent of the Nation's poor live.

It was years after Jacob Riis spoke before Americans realized that poverty was an urgent public dilemma -- from which the only escape was to change the basic **condit**ions of human life.

Theodore Roosevelt and Franklin Roosevelt in their times, began the necessary process of change:

- -- The Children's Bureau, proposed in 1909 and established in 1912, spearheaded broad efforts to improve maternal and infant care and to provide better services and protection for our youth.
- -- The public housing program, begun in 1934, today affords more than 2 million low-income Americans decent housing.

-- The benefits of the Social Security Act of 1935 will provide \$25.8 billion in old age, disability and survivorship benefits in fiscal 1968, if my recommendations are adopted by the Congress.

٤.

- -- The federally-aided public assistance programs, authorized in 1935, will provide \$5 billion in Federal, State and local aid to more than 7 million needy individuals in fiscal 1968.
- -- The Fair Labor Standards Act, enacted in 1938, now provides minimum wage and hour protection for some 40 million workers.

A Strategy Against Poverty .

In the 1960's, we have begun to devise a total strategy against poverty. We have recognized that public housing, minimum wages and welfare services could not, standing alone, change the bleak environment of deprivation for millions of poor families.

A successful strategy requires a breakthrough on many fronts: education, health, jobs and job training, housing, public assistance, transportation, recreation, clean air and adequate water supplies. The basic conditions of life for the poor must, and can, be changed.

We must deal with a wide range of physical and human needs. On the human side alone, the strategy must respond to a variety of problems.

Some of the poor -- the aged and the hopelessly disabled -- are unable to make their own way in this world because of conditions beyond their control. For them, social security, veterans pensions and public assistance can assure a life at minimum levels of human decency and dignity.

Others in our society are working at very low wages or are unemployed. But they are capable of helping themselves if given an opportunity to do so. To launch them on the road to a self-sufficient life, special education, training and employment opportunities will be necessary.

Our strategy requires programs that respond to the human needs of each of these groups. And we have proposed such programs:

- -- To give disadvantaged children healthy bodies and the chance to learn.
- -- To give the teenagers in our ghettos and pockets of rural poverty the training and skills they need to get jobs.
- -- To give our young the chance to develop their minds in college, through Federal grants and loans.
- -- To give the old and the disabled, who are incapable of helping themselves, increases in Social Security and the personal security of being able to see a doctor or obtain hospital care, without losing their entire life savings.

We also must have programs to improve the surroundings in which the disadvantaged live -- the physical and social environment of America which has too long entrapped the poor. We have made proposals for:

- -- Model Cities, to rebuild entire blighted neighborhoods in cities, large and small.
- -- Rent Supplements, to bring the genius of private industry and private capital to the problem of housing the poor decently.
- -- Civil Rights legislation, to remove arbitrary barriers of discrimination which prevent a man otherwise qualified from getting a job or a home because of his race.

Our strategy against poverty relies on:

- -- The private initiative of every citizen and on the selfhelp efforts of the poor themselves.
- -- The resources of city, county, state and metropolitan agencies.
- -- Federal programs to supplement private and local activities and often to supply the vital thrust of innovation.

We have made substantial gains. But we have also come to see how profound are the problems that confront us, how deeply ingrained are the customs and practices that must be changed, how stubbornly the heritage of poverty persists from generation to generation.

Many of our early efforts have revealed the dimensions of the work that remains to be done. For some, this has inspired a pessimism that challenges both the value of what has been accomplished and the capacity of our Federal democracy to complete the task. For others, it has inspired a sober determination to carry through with programs that show great promise, to improve their administration and to seek still more effective instruments of change.

I have already submitted to the Congress my budget recommendations for fiscal 1968.

<u>I have recommended \$25.6 billion for the programs directly aiding</u> the poor -- a \$3.6 billion increase over fiscal 1967.

Many of the programs underlying these budget recommendations have been discussed in previous messages to the Congress this year -on Education and Health, Children and Youth, Older Americans, Crime in America and Equal Justice. The programs described in this message are part of our strategy to change the depressing conditions of poverty now facing millions of our fellow men.

more

Poverty -- and Opportunity

Few undertakings in our time have generated as much hope, produced as many immediate and beneficial results, or excited as much controversy, as the anti-poverty program I first submitted to the Congress on March 16, 1964.

The controversy was inevitable: what is being attempted is a fundamental change in the way government responds to the needs of the poor.

That there would be some confusion and mistakes was inevitable. The need was for action. America could not wait for a decade of studies which might not even show precisely what should be attempted. New programs had to begin in our cities and rural communities, in small towns and in migrant labor camps. America had to pull the drowning man out of the water and talk about it later.

This experience has led to progress and great accomplishment. We have learned more than some of the most enthusiastic supporters of the anti-poverty program had hoped.

Greater opportunities for millions of Americans depend on how we build on our experience:

- -- On enlarged resources for the Office of Economic Opportunity to strengthen and expand programs that have shown great promise and to continue the development of new and better techniques.
- -- On tightened administration of those programs so that the poor receive the maximum benefits, at the lowest cost to the American taxpayer.

The Economic Opportunity Act of 1967

I recommend that the Economic Opportunity Act be amended:

1. To help local community action agencies define their purpose more precisely and improve their planning, auditing and personnel systems.

-- The purpose and functions of community action agencies should be made more explicit: in their relationship to state, county and municipal authorities, in planning, coordinating and providing services, and in community involvement and innovation.

more

II.

- -- Strict rules should be established to govern the pay, selection and accountability of community action personnel. Personnel systems should embody merit features and set the highest standards of conduct and efficiency.
- -- The provisions in existing law prohibiting partisan political activities should be retained and strengthened wherever possible.
- -- Auditing requirements now in the law should be expanded and improved.

2. <u>To give public officials and other interested groups in the</u> community voice in forming policy for community action agencies.

- -- There should be a requirement for representation of local public agencies on community action boards, as well as representation for the neighborhood groups to be served.
- -- Standards should be set specifically defining the powers and duties of Community Action Boards.
- -- The responsibility of the Boards for policy formulation and control of community action programs should be made explicit.
- 3. To strengthen the role of the States, especially in rural areas.
- -- States should be encouraged to assist in establishing regional community action agencies in rural areas.
- -- The joint funding of anti-poverty programs by Federal and State agencies should be encouraged.
- -- Federal funds should be provided so that States may give increased planning assistance to rural communities.
- 4. To encourage more participation by private enterprise.
- -- The obligation of community action agencies to design and conduct programs with full participation by the private sector should be made explicit.
- -- A closer relationship should be developed between employers, unions and the new work-training programs, with more individual attention to trainees in on-the-job training programs.

5. To use the Economic Opportunity Act to encourage welfare recipients to become self-sufficient.

-- Job Corpsmen, Neighborhood Youth Corpsmen and others engaged in work and training under this Act should be given greater incentives to work, by allowing them to earn more without a corresponding loss of welfare assistance to their families.

6. <u>To give new direction and momentum to the programs in</u> rural areas.

-- A new position of Assistant Director for rural affairs should be established to coordinate and strengthen programs affecting the rural poor.

>

7. To strengthen the Economic Opportunity Council in the coordination of anti-poverty activities of Federal agencies.

-- The Council's role in helping to improve coordination among federal programs related to the anti-poverty effort should be more clearly spelled out.

These changes will make the administration of the program more effective. But improved administration is not enough. More people must be reached. The gap between promise and real opportunity is still broad. Additional funds must be provided if we are to make genuine progress in attending to our unfinished business.

<u>I recommend that the Congress appropriate \$2.06 billion for the</u> Office of Economic Opportunity for fiscal 1968 -- a 25 percent increase over fiscal 1967.

Community Action

The purpose of community action is to encourage those who need help to help themselves.

A Community Action Agency should provide a voice in planning programs to mayors, local business and labor leaders, the citizens to be helped, teachers, lawyers, physicians -- all those who give their time and efforts to relieve poverty in their communities and who know well the needs of their neighbors. It may be established as a private, non-profit corporation or created by local government. Each agency analyzes the problems its community faces and develops a strategy for its anti-poverty, self-help effort. This strategy may include any combination of Federal, State and local programs which will assist the poor in their fight against poverty.

Community action agencies should devote their energies to self-help measures and new initiatives that will advance their communities in the war against poverty. To be effective, it is essential that they be nonpartisan and totally disengaged from any partisan political activity. This Administration, the National Advisory Council on Economic Opportunity and, I am confident, the Congress, will be constantly alert to the danger of partisan political activity and will take the necessary steps to see that it does not occur.

Legal Services

To be poor is to be without an advocate -- in dealing with a landlord, a creditor, or a government bureaucrat. It is to be subjected to the hostility or indifference of society, without redress. It is to be exposed to frustration and delay, without relief.

The Legal Services Program offers free legal assistance in civil matters to people who otherwise could not afford an attorney. The program provides -- in ghettos, on Indian reservations, in migrant camps and in rural counties -- lawyers for the poor in eviction and consumer credit cases, in administrative actions and in hundreds of other encounters involving their legal rights.

The program has the wholehearted endorsement of the American Bar Association, the National Bar Association and the National Trial Lawyers Association. With the help of these Associations, legal services are now being provided in 44 of the Nation's 50 largest cities and in some rural areas.

I have asked the Director of the Office of Economic Opportunity to strengthen these efforts and to expand the services available to smaller towns and rural areas.

Neighborhood Centers

Multi-Service Centers

To be poor in a city is to spend long hours and precious dollars for carfare in search of assistance. The employment service may be in one part of town, the social security office in another, welfare offices, veterans assistance, adult literacy training, medical care or housing aid in others.

To be poor in a rural area is to travel many miles in hope of finding assistance -- often fruitlessly. The services needed are too often in another county or only in a big city.

The fragmentation -- and the unavailability -- of services imposes great hardship upon the poor. Often it denies them the comprehensive help that can provide security, and the chance to stand on their own two feet before their fellow men.

We are trying a variety of methods for providing these services more effectively. Hundreds of neighborhood centers have been created: some are referral agencies, others house a complex of services drawn from existing programs. In rural areas centers have been established to serve multi-county areas. Our goal is to develop within each community the most effective means to deliver the services so desperately needed at the lowest cost to the taxpayer.

<u>I have asked the Director of the Office of Economic Opportunity, in</u> <u>cooperation with the Secretary of Housing and Urban Development and</u> <u>other Federal departments, to expand and strengthen the development of</u> <u>Neighborhood Multi-Service and Multi-County Centers in the coming</u> <u>fiscal year.</u> These Centers have become the focal point of many local efforts in their attack on poverty, and I expect that local communities will seek some \$120 million for them in fiscal 1968.

Health Centers

To be poor is to be without adequate medical care:

- -- One-half of all women who have their babies in public hospitals have received no pre-natal care at all.
- -- More than 60 percent of poor children with disabling handicaps are not receiving any medical care.
- -- 60 percent of all poor children never see a dentist.

more

- -- The chance of a child dying before the age of one is 50 percent higher for the poor.
- -- The chance of dying before reaching the age of 35 is four times greater for the poor.

The poor man, making two thousand dollars a year or less -- in many cases because of previous illness -- will lose twice as many working days from illness as the man who makes seven thousand dollars or more.

In Health Centers, located where the poor live, medical care can be effectively provided for those who need it most. Where appropriate, the Health Centers are linked to Neighborhood Multi-Service Centers so that the individual citizen can obtain in one place a wide range of needed services.

The Director of the Office of Economic Opportunity, in cooperation with the Secretary of Health, Education, and Welfare, will encourage local communities to establish additional Health Centers in the coming fiscal year, so that up to 50 will be in operation by the end of fiscal 1968.

Upward Bound

When a child's potential for success in life is lost, the nation as well as the child is the loser. When a bright mind is dimmed by successive failures in school, and the despair failure brings, the community suffers as much as the student himself.

Upward Bound seeks out poor rural and urban youngsters whose talents are undeveloped. They are given intensive individual attention and the best training our education system can offer so that they can develop their talents to the full reach of their individual capacity.

Two hundred and twenty-four public and private universities and private secondary schools are taking part in Upward Bound this year. More than 20,000 poor young men and women are today headed for high school graduation and college study through Upward Bound. We estimate that 78 percent of these youngsters -- as compared to 8 percent of poor youth generally -- will go on to college.

Applications for Upward Bound far exceed the funds presently available. Those funds must be increased -- for America needs the trained and competent citizens these poor children can become.

My budget includes sufficient funds for Upward Bound to benefit more than 30,000 young men and women in fiscal 1968.

Foster Grandparents

Children in orphanages and homes for the retarded need the patient care of older men and women. Older Americans need the sense of usefulness that a child's dependence can bring.

8

The Foster Grandparents program meets these needs for more than 2,000 older Americans and 5,000 children. These Foster Grandparents are given training and relatively substantial increases in their incomes for visiting, teaching and caring for children who need them.

The Director of the Office of Economic Opportunity, in cooperation with the Secretary of Health, Education, and Welfare, will expand this program next year.

Head Start and Head Start Follow-Through

I have already submitted to the Congress my recommendations to improve educational opportunities for children who need them most of all -- the children of the poor.

For thousands of children in ghettos and pockets of rural poverty, in migrant labor camps and on Indian reservations, the Head Start Program has "replaced the conviction of failure with the hope of success." This fiscal year, Head Start will provide summer opportunities for about 500,000 children and a full-year program for nearly 200,000 children.

We must not lose the precious momentum children gain from Head Start by returning them to substandard schools. We must provide the Follow-Through necessary to vitalize the first years of their grade school experience. We must involve more parents and increase the services of teachers, teachers aides, doctors and counselors for disadvantaged children in the early grades.

For this reason, I have recommended the Head Start Follow-Through Program. My Budget recommendations to the Congress include \$472 million for Head Start, including funds for the new Head Start Follow-Through Program to sustain the progress Head Start has made.

With these funds, we will strengthen the year-round Head Start Program and begin to plan and operate Head Start Follow-Through programs for up to 200,000 children coming into the first grades.

Neighborhood Youth Corps

At a critical period in their lives, the Neighborhood Youth Corps has given some 800,000 young men and women from both rural and urban America a chance to succeed as adults. It has helped them work their way through school, return to school, or prepare for useful employment.

My budget recommendations provide \$321 million for the Neighborhood Youth Corps in fiscal 1968 to:

-- Give 195,000 young people the chance to stay in school.

more

Help 90,000 young people return to school or prepare for jobs.

- Provide summer jobs for 190,000 young people.

Job Corps

If the attack on poverty is to mean anything, it must reach all the poor -- including those whose educational experience and past behavior make them difficult to teach, motivate and discipline.

The Job Corps is a response to that moral imperative. Its success must be measured against the difficulties of its task.

There are 113 Job Corps centers in America. More than 60,000 youths have passed through them in the last two years.

For some, the Job Corps experience was too short to matter significantly. For others, there was only time enough to have a physical examination, or to learn to read a little or to add a column of figures. But even this was a gain for the young who, on the average, enter the Job Corps at a fourth grade reading level and have never seen a doctor or dentist.

For most, the Job Corps has meant a chance to be a productive -and taxpaying -- citizen:

- -- 26,000 hold jobs earning an average of \$1.71 per hour.
- -- 4,500 are back in school to complete an education they have been motivated to seek.
- -- 3,500 are in the armed services. Many of them had been previously rejected because they failed to meet medical or educational standards.

The Job Corps does not benefit only those it serves. It has developed educational materials now being used by 84 schools across America. Its volunteers have worked on conservation and beautification projects, and public facility improvements. The Job Corps youths, who are themselves poor, send more than \$1 million home to their families each month.

While the Job Corps has used the best talents of industry and of universities to design the program and operate the centers, many problems remain. Costs must be reduced and discipline improved. In fiscal 1968, the estimated full-year cost for a Job Corpsman in established centers will be about \$6,700 -- down from an average cost of about \$8400 during the last half of fiscal 1966. This sum will cover food, clothing, transportation, medical and dental care, pay and allowances, as well as the cost of training and education.

The experience we have gained thus far will permit tighter cost controls, firmer discipline, and more effective recruitment and placement. The Job Corps in fiscal 1968 will be even more effective in reaching those young people for whom the road to productive and responsible lives is the longest and hardest. My budget recommendations include \$295 million for the Job Corps Program in fiscal 1968 -- to educate, train and renew the hopes of some 50,000 young men and women.

VISTA

By this June, more than 4,000 Volunteers in Service to America --VISTA volunteers -- will be in the field. They will be living and working in the hollows of Appalachia, on Indian reservations, in migrant camps and city slums -- to teach skills, care for the sick, and help people to help themselves.

My budget recommendations for fiscal 1968 include \$31 million for the VISTA Program.

No matter how dedicated or skillful, 4,000 volunteers cannot accomplish the thousands of tasks that require attention in America's poor neighborhoods. Neither can a massive flow of dollars and new programs. We will continue to search for ways to enlist still more Americans in part-and full time service to their fellowman.

Cperation Green Thumb

Hundreds of older unemployed and retired farmers and rural workers have gained in income and in dignity, while contributing to the safety and beautification of State highways, schools, parks and rural towns through projects like Operation Green Thumb. They have assisted their disadvantaged neighbors to improve their homes and have added their skills to enhance neighboring communities.

I have asked the Director of the Office of Economic Opportunity in cooperation with the Secretaries of Labor and Agriculture, to expand this activity and to develop new ways to provide meaningful public service opportunities for the elderly in rural areas.

Rural Loan Program

The special rural loan program of the Office of Economic Opportunity will assist 13,000 families this year to improve their farms and carry on small businesses. Hundreds of other poor families will be helped to increase their production and marketing capacity by loans made to rural cooperative associations.

My budget recommendations provide for \$32 million in loans under this program in fiscal 1968.

more

A Concentrated Employment Program

A thriving national economy is critical to our anti-poverty effort. Through private initiative and wise economic policy, our economy is meeting its fundamental test of producing revenue and employment.

It has not always been so. In the period from 1957 to 1959, 1.9 million Americans, new to the job market, sought work. One million of them could not find jobs. Despite prosperity, unemployment increased.

In the last three years, four million Americans joined the work force for the first time. 5.25 million jobs were added to the economy. Unemployment was reduced by 1.25 million.

But economic policy and unprecedented prosperity have not reached thousands of men and women who live in the nation's slums. The Secretary of Labor has investigated the unemployment situation in slums and found that:

- -- Unemployment rates in the slums are three times the national average.
- -- Large numbers of people work a few hours of the week, unable to find the full-time work they seek.
- -- Large numbers work full-time at poverty wage levels.
- -- Nearly one-third of those who should be employed at self-supporting wages are not.

Neither a high performance economy nor traditional training and employment services have been able to reach these men and women. Some need special counseling and training. Others need special health and educational assistance. All need follow-up assistance until they are permanently placed in a stable job. Even after that, they may need special attention during their first weeks of employment.

<u>I have directed the Secretary of Labor and the Director of the</u> Office of Economic Opportunity, with the assistance of other Federal agencies, to begin immediately a special program using all available resources to provide concentrated assistance to those with the greatest need.

This program will

- -- Enlist the active support and cooperation of business and lab or organizations at the local level.
- -- Provide a wide range of counseling, health, education and training services on an individual basis.
- -- Provide the follow-up assistance necessary to insure that a job once obtained will not quickly be lost.

128 5 马·萨·哈尔西部联络

-- Use local community action agencies as the focal point wherever practicable.

<u>I recommend that the Congress appropriate \$135 million under the</u> <u>Economic Opportunity Act to support this program to train and put to</u> <u>work up to 100,000 slum residents next year.</u> These funds, together with existing programs, will enable us to provide the special counseling and personal attention necessary to reach these impoverished Americans.

This will be a tough objective to meet. But we pledge to make every effort to achieve it.

Wage Garnishment

Hundreds of workers among the poor lose their jobs or most of their wages each year as a result of garnishment proceedings. In many cases, wages are garnished by unscrupulous merchants and lenders whose practices trap the unwitting workers.

I am directing the Attorney General, in consultation with the Secretary of Labor and the Director of the Office of Economic Opportunity, to make a comprehensive study of the problems of wage garnishment and to recommend the steps that should be taken to protect the hard-earned wages and the jobs of those who need the income most.

Perseverance

Poverty cannot be eliminated overnight. It takes time, hard work, money and perseverance.

It has been only two years and three months since we decided to embark upon a concentrated attack on poverty. We have made progress. But victory over poverty will not quickly or cheaply be won.

We do not have all the answers. But we have given a great many people -- very young children, restless teenagers, men without skills, mothers without proper health care for themselves or their babies, old men and women without a purpose to fill their later years -- the opportunity they needed, when they needed it, in a way that called on them to give the best of themselves.

Millions more Americans need -- and deserve -- that opportunity. The aim of this Administration is, and will be, that they shall have it.

I urge the Congress to examine these programs carefully, to evaluate their accomplishments, and then to support them fully with the funds necessary to do the job.

more

III.

Improving the Conditions of Urban Life

The needs for jobs and job training, for special education and health care, for legal assistance, are all urgent in the life of the poor. Most often they exist together in the urban slum -- isolated from the city of which they are a part.

I shall not elaborate on these conditions. They are familiar to everyone who has looked candidly at the American city. So are some of the things that should be done about them.

In the past few years, we have made a heavy investment in improving the conditions of life in the cities. Federal aid to cities and their citizens has been steadily rising -- from grants and direct loans of \$3.9 billion in 1961 to \$10.3 billion in 1968.

But some of the most promising urban programs are today only authorizations on the statute books. The 89th Congress made them law. It remains for the 90th Congress to give them life.

Model Cities

The Model Cities program, enacted last year, is an attempt to focus a variety of aids -- physical and social -- on the problems of the slums and to enlist private and local support to rebuild the blighted areas of America's cities.

It is a comprehensive approach to human problems -- involving jobs, education, health facilities, housing.

Fulfilling the purpose Congress proclaimed last year is a necessity. We have inspired the hopes of large and small cities in every State. We have generated in local communities a commitment to excellence as they plan for the future.

<u>I strongly urge the Congress to appropriate the full amount it has</u> authorized for Model Cities in fiscal 1968:

- -- \$12 million for additional planning grants.
- -- \$400 million for supplemental grants to be used in carrying out local model city programs.
- -- \$250 million for urban renewal projects in the Model cities.

Rent-Supplements

15

The 89th Congress authorized the Rent Supplement Program to enable poor families to live in decent, privately-owned housing.

₽.

Only families whose incomes are so low that they are eligible for publicly-owned housing can receive rent supplements -- and then only if they are displaced from their homes by governmental action or a disaster, are elderly or physically handicapped, or occupy substandard housing.

With low-rent housing in short supply, it is more important than ever to stimulate construction by private enterprise and non-profit organizations. The Rent Supplement Program authorizes payments that make the construction of low-rent units attractive for builders.

Last year the Congress provided funds to get this program underway. This year it must be expanded.

<u>I urge the authorization of an additional \$40 million for the rent</u> supplement program in fiscal 1968.

Home Ownership

For many American families, home ownership is a source of pride and satisfaction, of commitment to community life.

Some families with low but steady incomes have become the owners of decent, modest homes. Their well-maintained homes are often in the midst of slum areas. They are frequently surrounded by substandard homes owned by absentee landlords, where poor families pay rent in amounts much higher than would have been required for ownership of a modest home.

We must learn how best to help low-income families own their own homes.

I have directed the Secretary of Housing and Urban Development to carry out, within existing authority, a low-income housing-ownership pilot program, so that these lessons may be learned and converted to public policy on a broad scale.

I am authorizing the Federal National Mortgage Association to use \$20 million of its funds to support this program.

The Program will:

- -- Identify low-income families with the potential to build an ownership equity in a home.
- -- Provide guidelines to assure the economic soundness of their investment.

more

- -- Explore a program to insure low-income families against mortgage defaults and foreclosures that result from loss of health or economic recession.
- -- Encourage ownership equity to be acquired through self-help in the construction of homes.

New and rehabilitated housing, single-family homes and apartment structures should be included in the program. All forms of ownership should be explored -- single-family homes, cooperative and individual apartments.

Protecting the Slum Child

The knowledge that many children in the world's most affluent nation are attacked, maimed and even killed by rats should fill every American with shame. Yet, this is an everyday occurrence in the slums of our cities.

There is no excuse for this national disgrace. The rats' food supply can be eliminated. Garbage can be collected. Harborages can be eliminated. Buildings can be made rat-proof. As this can be done, it must be done.

To help America's cities wipe out this threat to their people's health and safety, I recommend the Rat Extermination Act of 1967, to launch a major program of rat control and eradication. I will ask the Congress to provide \$20 million to initiate this effort in fiscal 1968.

Under this Act, as part of the broader program of community development, the Secretary of Housing and Urban Development, in cooperation with the Secretary of Health, Education, and Welfare and the Director of the Office of Economic Opportunity, will help cities:

- -- Establish house-by-house, block-by-block extermination programs in rat infested neighborhoods.
- -- Provide special concentrated code enforcement assistance to eliminate rats from city slums.
- -- Provide public education campaigns for residents of slum areas.
 - -- Help provide better garbage collection, eliminate harborages, and take on the necessary self-help measures to protect against rats.
 - Build on the experiences in Chicago and Detroit, where slum residents were trained, mobilized and given the tools to conduct a major attack on rats in their infested tenements.

Urban Housing Rehabilitation

Franklin D. Roosevelt said long ago what is still true today: "American industry has searched the outside world to find new markets

but it can create on its very doorstep the biggest and most permanent market it has ever had."

Rehabilitation is the key to many of our successful urban renewal programs. It is crucial to the success of the Model Cities Program

I intend to call together an outstanding group of private citizens from across the country -- from business and labor, government and the building industry -- to examine every possible means of establishing the institutions to encourage the development of a largescale efficient rehabilitation industry.

I will ask this group of outstanding Americans to find the best ways to tap the enormous market that exists in rebuilding our cities and to bring the most modern systems and the most advanced technology to this urgent task.

Grants for Metropolitan Development

Unless metropolitan development is orderly, the public's money will be wasted on public facilities -- schools, hospitals, police and fire stations -- that are obsolete before they are even completed.

Last year the Congress authorized a new program of twenty percent grants to support orderly development by local communities, working cooperatively in metropolitan areas. These Federal incentive grants supplement ten other Federal grant-in-aid programs that help finance transportation facilities, water and sewer facilities, recreational and other open space areas, libraries and hospitals.

I urge the Congress to provide \$30 million in Fiscal 1968 for this essential program.

Urban Transportation

The life of a city depends on an adequate transportation system.

Inefficient transportation increases the costs of local industry, and the prices paid by consumers in local stores. It robs the community's citizens of their leisure time and comfort. It penalizes the physically handicapped and those too poor to own a car.

I recommend that the Congress provide \$230 million in advance funds for fiscal 1969 for the construction and improvement of urban mass transportation systems.

To improve public transportation systems and to reduce traffic congestion, I recommend legislation to authorize the Secretary of Transportation, under the Federal highway program, to participate in the cost of acquiring land and developing public parking facilities on the outskirts of large cities. This authority would enable the Secretary to promote the multi-purpose use of space over and under expressways and to develop areas alongside of highways for parking terminals.

Research and Development

Less than one-tenth of one percent of our total research and development expenditures in government have been devoted to the field of housing and urban affairs. Yet, 70 percent of our citizens live in urban areas.

This failure to apply scientific resources and methods to an area of such vital importance to American life cannot be permitted to continue.

Today, we can give only partial, insufficient answers to such basic questions as how to build better housing at lower cost, how to move people more rapidly at less cost in congested urban areas.

This year, I ask that we move to build a basic foundation of urban knowledge -- in three ways:

First, I recommend legislation to authorize a new Assistant Secretary in the Department of Housing and Urban Development for research, technology and engineering.

Under the new Assistant Secretary, an office for urban research, technology and engineering will be established along lines that have proven successful in other agencies of government. The new office will also serve as a source of information for State and local governments and for private industry.

Second, I am asking the Secretary of Housing and Urban Development to encourage the establishment of an Institute of Urban Development, as a separate and distinct organization. Such an organization would look beyond immediate problems and immediate concerns to future urban requirements, and engage in basic inquiries as to how they may be solved.

Third, I recommend:

- -- <u>\$20 million in fiscal 1968 in funds appropriated to the</u> Department of Housing and Urban Development for general research.
- -- An increase from \$13 to \$18 million for other studies and experimentation in the fields of housing, urban development and urban transportation.

IV.

Programs for the Rural Poor

Men have argued the merits of providing jobs in rural areas to stem the flow of people into the cities, as against providing jobs and training on

arrival or training for jobs prior to departure. Whatever the "correct" answer may be to this argument, it seems clear to me that conditions of impoverishment in rural America continue to exist and must be relieved to the extent we know how to relieve them.

We have taken a number of actions that will, in time, produce effective results:

-- A National Advisory Commission on Rural Poverty has been established and will submit its report and recommendations to me at the end of the year.

-- I have asked the Secretary of Agriculture and the Director of the Bureau of the Budget to review all existing Federal programs to insure that rural areas receive an equitable share of their benefits.

-- The Secretary of Agriculture has been given responsibility to identify development problems in rural areas which require the cooperation of various Federal departments, so that these programs may be better coordinated and duplication eliminated.

But much more needs to be done.

1

. . . .

Planning Aids for Multi-County Areas

This is no longer a nation of small towns and communities which can develop independently. Improved transportation and modern communications have created a larger concept of community. Its boundaries are not marked by any arbitrary political lines, but by the commuting distance to available jobs.

Many states have recognized this, and have established multicounty planning and development areas. Others are doing so. In many cases, rural community action agencies -- organized on a multi-county basis -- serve the same purpose.

But many rural communities lack the means to form multi-county development districts. Many lack the personnel trained in planning broad social and economic programs. Others lack the resources to enable them to plan effectively.

.

I recommend that the Congress amend the Housing Act of 1954 and authorize \$20 million to provide:

- -- Grants to States by the Department of Housing and Urban Development of up to two-thirds of the cost of technical assistance to and comprehensive planning by official multicounty planning agencies in non-metropolitan areas, including multi-county community action agencies.
- -- Technical assistance to the multi-county planning agencies by the Department of Agriculture.

more

(OVER)

Increasing Our Public Investment

For many rural areas, a relatively small public investment will return substantial increases in opportunity for the local people.

I recommend legislation to remove the annual ceiling on insured loan authority for rural community water and waste disposal systems.

Eliminating the existing \$450 million limitation on lending authority for this program will permit more rapid completion of the water and waste disposal systems rural America needs for economic development.

<u>I also recommend legislation to expand the provisions of the existing</u> <u>loan programs to permit farm owners or their tenants to shift the entire</u> <u>use of farm land with adequate recreation potential from agricultural</u> <u>production to income-producing recreation enterprises, as part of</u> <u>comprehensive land-use plans for rural and neighboring urban areas.</u>

This program would permit better use of scarce land resources, provide better opportunities for some farmers now using poor farm land for crop purposes and furnish urgently needed recreation facilities for our population.

Migrant Farm Workers

Migrant farm workers are among the forgotten Americans. Their wages are low, their employment uncertain, and their housing and working conditions deplorable. Though their needs are great, they often find it impossible to obtain social services available to other poverty-stricken Americans.

Because of residency requirements, migratory farm workers are barred in many States from receiving public assistance, vocational rehabilitation, and other welfare services. Disabled workers and their families are often not served -- even when otherwise eligible -because of their relatively brief period within a State.

I recommend a five-point program for these forgotten Americans:

- 1. <u>Legislation to provide 90 percent Federal reimbursement</u> for vocational rehabilitation services for disabled migratory farm workers. The Secretary of Labor will develop a system for identifying migratory farm workers who would be considered for benefits under this program.
- 2. <u>Amendments of the public assistance law to authorize</u> <u>pilot projects to provide temporary public assistance</u> <u>and other welfare services for migratory farm workers</u> <u>and their families, who are now barred by residence</u> <u>requirements from receiving these services.</u>

t

to provide:

3.

- -- Special educational services for more than 170,000 migrant children.
- -- Health services for about 280,000 migratory workers and their families.
- An expanded self-help housing program for the construction of 2,000 housing units.
- 4. Amendment of the Unemployment Insurance laws to provide benefits for workers employed on large commercial farms.
- 5. Extension of social security benefits to 500,000 farm workers by reducing from \$150 to \$50 the amount which must be earned from a single employer each year.

v.

Finishing the Nation's Business

It is difficult for most Americans to understand what it is to be desperately poor in today's affluent America. More than half our population was born after 1940. Less than half can remember the depression on the farms of the twenties, or the bread-lines of the thirties. "The Grapes of Wrath" is ancient literature -- not a living record -- to most Americans.

Yet for more than 31 million Americans, poverty is neither remote in time, nor removed in space. It is cruel and present reality. It makes choices for them. It determines their future prospects -- despite our hope and belief that in America, opportunity has no bounds for any man.

Poverty was universally tolerated until a century or so ago. But like disease, war and famine, it gained nothing in acceptability because it was prevalent. As soon as men saw that they might escape it, they fought and died to escape it.

Poverty denies to most of those born into it a fair chance to be themselves, to be happy in life. Federal funds or services, and the opportunities they provide, cannot permanently free a man from the trap of poverty if he does not want to be free. He must use the ladders that circumstance, native ability, and his Nation may create.

Let it be said that in our time, we pursued a strategy against poverty so that each man had a chance to be himself.

Let it be said that in our time, we offered him the means to become a free man -- for his sake, and for our own.

LYNDON B. JOHNSON

THE WHITE HOUSE,

March 14, 1967.

21

#