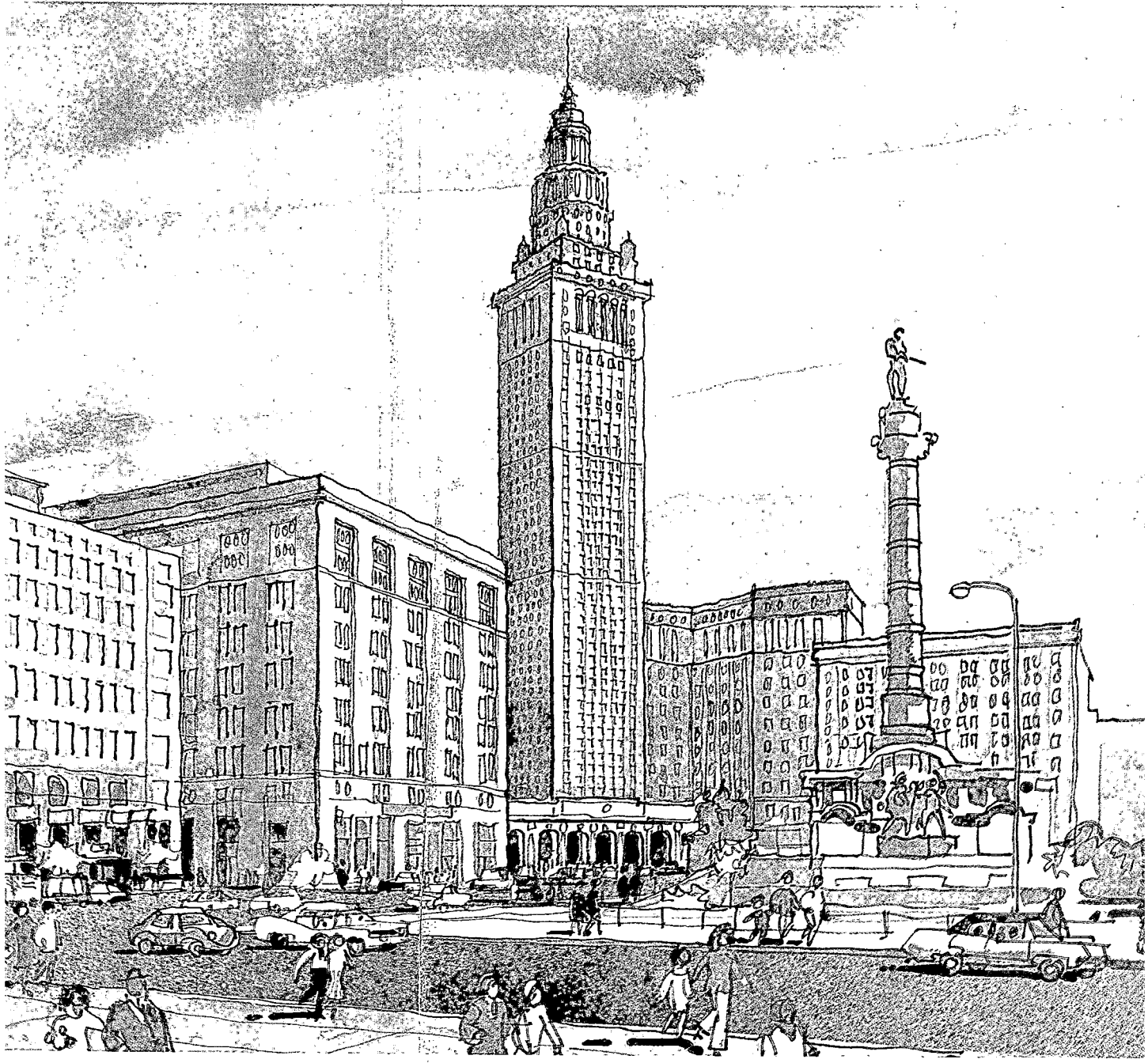


Affirmative Action or Inaction? The Pursuit of Equal Employment Opportunity in Cleveland

October 1977



—A report of the Ohio Advisory Committee to the United States Commission on Civil Rights prepared for the information and consideration of the Commission. This report will be considered by the Commission, and the Commission will make public its reaction. In the meantime, the findings and recommendations of this report should not be attributed to the Commission but only to the Ohio Advisory Committee.

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A report prepared by the Ohio Advisory Committee to the U.S. Commission on Civil Rights

ATTRIBUTION:

The findings and recommendations contained in this report are those of the Ohio Advisory Committee to the United States Commission on Civil Rights and, as such, are not attributable to the Commission. The report has been prepared by the State Advisory Committee for submission to the Commission, and will be considered by the Commission in formulating its recommendations to the President and the Congress.

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LETTER OF TRANSMITTAL

OHIO ADVISORY COMMITTEE
TO THE U.S. COMMISSION ON CIVIL RIGHTS
October 1977

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Sirs and Madam:

The Ohio Advisory Committee submits this report on issues of equal employment opportunity in Cleveland, Ohio, as part of its responsibility to advise the Commission about civil rights problems within this State.

This report reviews the economic status of women and minorities in the Cleveland metropolitan area; the affirmative action plan recently adopted by the city of Cleveland; the office of contract compliance in Cleveland; and the civil rights enforcement efforts on the part of various Federal agencies. This report documents the second class status that minorities and women continue to face in Cleveland, particularly in city government; several serious inadequacies in the city's affirmative action plan; deficiencies in the contract compliance program; and several inconsistencies in the Federal Government's civil rights enforcement effort.

The major problems with Cleveland's affirmative action plan are the following: (1) it fails to identify the specific problem areas in Cleveland's employment policies and practices which account for the underutilization of minorities and women; therefore, (2) it does not cite specific action programs that will be implemented to eliminate those problems which result in a denial of equal employment opportunity for minorities and women; (3) the goals are stated on a department-by-department basis for 1 year only; and (4) the city has not devoted adequate resources to implement an adequate affirmative action plan. In addition, the city failed to specify numerical goals and timetables for the police or fire departments, despite the fact that it has been ordered to do so by Federal authorities. There are also serious differences of opinion on the part of the city's leadership regarding the plan, which inhibits the implementation of an effective affirmative action effort. For these reasons, the Committee seriously questions whether or not the city is acting in good faith to eliminate employment discrimination.

The Committee recommends that the city of Cleveland create a department of equal opportunity to be headed by an experienced civil rights professional knowledgeable in all aspects of Federal equal employment opportunity requirements. The first responsibility of that department would be the development of an effective affirmative action plan.

The Committee also found that minorities and women are seriously underutilized by Cleveland area employers who receive city contracts. Several of the largest beneficiaries of city business employ no minorities or women in professional, technical, or administrative positions, and most do not employ minorities or women at a rate that is even close to their representation

in the Cleveland labor market. The Committee recommends that Cleveland's office of contract compliance require firms seeking city business to establish numerical goals and timetables aimed at upgrading the status of minorities and women in order to be eligible for city contracts.

The Committee also notes that various Federal agencies have different requirements which the city of Cleveland and other recipients of Federal grants must meet, and that regulations are enforced unevenly. The city of Cleveland asked 12 Federal agencies to review its plan. In their reviews some agencies found that it met their requirements, while other agencies ruled that it failed to meet their particular regulations. The Committee recommends that the U.S. Commission on Civil Rights advise the President to propose and Congress to enact legislation that would consolidate all equal employment opportunity oversight and enforcement activities involving Federal grants to State and local governments and to private sector organizations into one Federal agency that would have responsibility for developing uniform regulations and enforcement procedures.

The Ohio Advisory Committee firmly believes that, with the support of the Commission, the recommendations included in this report can be implemented and can substantially contribute to the realization of equal employment opportunity in Cleveland, Ohio.

Respectfully,

Henrietta H. Looman
Chairperson

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The United States Commission on Civil Rights, created by the Civil Rights Act of 1957, is an independent, bipartisan agency of the executive branch of the Federal Government. By the terms of the act, as amended, the Commission is charged with the following duties pertaining to denials of the equal protection of the laws based on race, color, sex, religion, or national origin, or in the administration of justice: investigation of individual discriminatory denials of the right to vote; study of legal developments with respect to denials of equal protection of the law; appraisal of the laws and policies of the United States with respect to denials of equal protection of the law; maintenance of a national clearinghouse for information respecting denials of equal protection of the law; and investigation of patterns or practices of fraud or discrimination in the conduct of Federal elections. The Commission is also required to submit reports to the President and the Congress at such times as the Commission, the Congress, or the President shall deem desirable.

THE STATE ADVISORY COMMITTEES

An Advisory Committee to the United States Commission on Civil Rights has been established in each of the 50 States and the District of Columbia pursuant to section 105(c) of the Civil Rights Act of 1957 as amended. The Advisory Committees are made up of responsible persons who serve without compensation. Their functions under their mandate from the Commission are to: advise the Commission of all relevant information concerning their respective State on matters within the jurisdiction of the Commission; advise the Commission on matters of mutual concern in the preparation of reports of the Commission to the President and the Congress; receive reports, suggestions, and recommendations from individuals, public and private organizations, and public officials upon matters pertinent to inquiries conducted by the State Advisory Committee; initiate and forward advice and recommendations to the Commission upon matters in which the Commission shall request the assistance of the State Advisory Committee; and attend, as observers, any open hearing or conference which the Commission may hold within the State.

ACKNOWLEDGMENTS

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Final production of this report was the responsibility of Deborah Harrison, Vivian Hauser, Rita Higgins, Audree Holton, and Vivian Washington, supervised by Bobby Wortman, in the Commission's Publications Support Center, Office of Management.

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Chapter 1

Introduction

In many ways Cleveland, Ohio, is a vibrant city. It is a major industrial center which boasts a world renowned symphony orchestra, one of the Nation's most respected art museums, four major league professional sports teams, and a population which includes members of virtually every nationality, race, and ethnic group.

Cleveland is a diverse and paradoxical city. One of the Nation's best medical schools is located on the east side, as are some of the Nation's worst elementary and secondary schools. Very wealthy and very poor people live within a few miles of each other. Cleveland's boosters refer to it as "The best location in the Nation," while its detractors unaffectionately call it "The mistake on the lake."

Cleveland is a microcosm of large American cities, particularly of older northern and midwestern industrialized cities. If there is a single issue which could be identified as being of greatest concern, particularly for minorities and women, it would be jobs, or the lack of them.

In an attempt to open up employment opportunities for minorities and women within city government, the city of Cleveland developed an affirmative action plan in May 1977. Because of the representativeness of Cleveland, and because of recent civil rights enforcement efforts in the city, the Ohio Advisory Committee to the U.S. Commission on Civil Rights examined employment practices in the Cleveland metropolitan area, focusing on employment within city government. That investigation revealed a history of discrimination which will not be rectified by the recently adopted affirmative action plan.

A number of factors, several of which the city has little control over, affect the economic climate and employment opportunities available in Cleveland. But the city does have the opportunity and the authority to improve employment opportunities significantly, particularly for minorities and women in city government. That the city has not done so in the past is documented in the following pages. The Ohio Advisory Committee offers a number of policy recommendations which, if adopted, would improve the employment opportunities for minorities and women in city government and throughout the Cleveland metropolitan area.

Cleveland's Employment Profile

With a population of 638,793, Cleveland ranked as the 18th largest city in the U.S. in 1975.¹ The Cleveland SMSA (including Cuyahoga, Geauga, Lake, and Medina counties) had a total population of 1,975,400 in 1975 making it the 17th largest in the Nation.²

According to the 1970 census, 39 percent of the city's residents were minority and 53 percent were female. For the SMSA, 17 percent were minority and 52 percent were female.³ The city's 1975 civilian labor force of 266,000 included 89,000 (33 percent) minorities and 112,000 (42 percent) women, while the SMSA labor force of 887,000 included 134,000 (15 percent) minorities and 348,000 (39 percent) women.⁴

These figures, however, do not reflect the dynamic nature of the Cleveland metropolitan area's population, work force, or economy. Over the past 25 years, major industrial centers in the northeast and midwest have lost people, jobs, and money to the south and southwest, and cities in all regions of the country have experienced similar migrations from the central city to the suburban ring. These demographic shifts have seriously affected the employment status of minorities and women, a disproportionate number of whom rely on employment within central cities.⁵ Cleveland is no exception.

The Suburbanization of Cleveland's Economy

After peaking at 914,808 in 1950, the population of the city of Cleveland has steadily declined to 638,793 in 1975. During those years the population of the Cleveland SMSA increased from 1,532,574 to 1,975,400 because of the growing suburban population.⁶ Firms in most industries have been leaving the city since the 1950s and, in general, have relocated in the suburbs.⁷ One result has been a declining central city work force and an increasing suburban one. The city's civilian labor force reached its peak in 1950 at 413,304 and dropped to 302,514 by 1970.⁸ Between 1960

and 1970 the number of jobs in the city declined by 12.9 percent while jobs in the suburban ring increased by 62.6 percent.⁹ As firms and workers have left the city, the tax base of the city has declined. Between 1958 and 1968 Cleveland's property tax base declined by \$95.3 million, resulting in a loss of property tax revenues of more than \$1.4 million annually.¹⁰

Manufacturing accounts for a larger proportion of jobs (31.8 percent as of 1974) than any other industry in the Cleveland SMSA.¹¹ The city of Cleveland is one of the Nation's leading manufacturing centers. But flight of firms from the city to the suburbs has been higher for manufacturing firms than for almost any other industry. Between 1958 and 1972 the city experienced a net loss of 640 (21.5 percent) of its manufacturing firms and 49,800 (27.5 percent) of its manufacturing employees. At the same time, the number of firms in the suburbs increased by 954 (89.2 percent) and the number of suburban manufacturing employees increased by 44,700 (48.1 percent).¹²

One industry that has experienced substantial growth in the city is the service industry. Between 1948 and 1967 this sector of Cleveland's economy grew by almost 30 percent. At the same time, the growth rate of the service industry was even greater in the suburbs.¹³ Projections for the year 1985 indicate that an increasing proportion of the area's work force will be employed in the service industry.¹⁴ In other words, the economy of the city of Cleveland and of the Cleveland SMSA has become more diversified in recent years, and will become, it appears, more diversified in the near future.

Perhaps more significant than the industrial mix of the city of Cleveland and its suburbs is the distribution of workers by occupation and income. In general, city residents are employed in lower paying positions than suburban residents, are less likely to work year round, and earn less than suburban residents employed in the same occupation.¹⁵ The median family income of city residents in 1969

was \$9,107 compared to \$11,407 for the Cleveland SMSA. While 35.1 percent of Cleveland area families lived within the city limits, 65 percent of those who earned less than \$3,000 in 1969 lived within the city; 80 percent of those earning \$10,000 or more lived in the suburbs.¹⁶

Blacks and women made up a larger proportion of both the city and suburban labor market in 1970 than in 1950. However, a disproportionate share of these increases occurred within the city.¹⁷ Black city residents earn less than black suburbanites, even among those employed within the same occupation, and women living in the city earn less than their suburban counterpart.¹⁸ In 1970 the city contained 35.2 percent of the SMSA's civilian labor force but 52.1 percent of the SMSA's unemployed. Again, while the city housed 35.1 percent of all families living in the area, it contained 68.8 percent of the Cleveland area families living on incomes below the poverty level.¹⁹ As the Cleveland Planning Commission stated in December 1973, "Cleveland is the residence of the region's poor."²⁰

These demographic shifts, which have negatively affected Cleveland and many other cities, have not gone unnoticed by public officials. Several recommendations have been offered to counter these trends. In its March 1977 newsletter, the Conference on Alternative State and Local Public Policies, an organization of State and local public officials, offered a series of recommendations, including:

- That economic supports and incentives be targeted to areas of highest unemployment.
 - a. Any regional development corporation, for example, must provide specific criteria for directing investments in these areas.
 - b. Any supports to business created through the tax system must be designed to bring private investments back to urban areas.
- That financial institutions be required, as a condition of their charters, to give priority to the credit needs of the communities they are chartered to serve.
 - a. In allocating charters and branches, priority should be given to banks that emphasize community credit and economic development needs.
 - b. License renewal should be contingent upon regular demonstration of service to communities.

- That the inordinate tax burdens of urban communities be relieved.

- a. Tax measures should be developed to equalize property tax burdens throughout each State and thereby to ensure evenhanded funding for human service and education programs.

- b. The Governors should immediately pledge to target new revenues from Federal welfare reform to urban and other chronically depressed communities.

- That corporations which relocate from urban areas be required to provide advance notice to their workers and the communities in which they are located and to provide financial compensations to those workers and communities. (A law in Wisconsin requires corporations to provide 60 days notice before closing down operations. A bill under consideration in the Ohio Legislature would require a 2-year notice and would also require corporations relocating to pay into a State community assistance fund 10 percent of the annual wages of laid-off workers.)

The Economic Status of Minorities and Women

The economic development of the city of Cleveland and the Cleveland metropolitan area has followed a pattern similar to that of many other cities, particularly older industrialized cities in the northeast and midwest. At the same time, the changing economic status of minorities and women in Cleveland has generally followed the national picture.

The National Perspective

Over the past two decades minorities and women have accounted for a larger proportion of the population and work force. While many have moved into professional positions, they are concentrated in the lower paying professional jobs. The income of minorities as a proportion of white income has improved slightly although the absolute difference has increased. Women, however, have fallen further behind men both relatively and absolutely.

Within specific occupational categories and at each level of educational attainment, minorities still earn less than whites and women earn less