

schools, colleges, and universities did make individual projections. Smith College, for example, calculated the cost to it of adoption of the administration proposals at \$100,000 this year, increasing to between \$150,000 and \$170,000 in 1971. A big private university with a \$30-million annual payroll would pay more than \$1 million in unemployment compensation taxes, at the 3.25-percent rate on the payroll recommended in the bill. Such bellwether institutions in the private sector as M.I.T. and Stanford, which have large numbers of people employed on research projects in jobs which don't fit neatly into faculty or student categories, have a special problem.

Unemployment compensation is supported by taxes on employers. Employees do not contribute as they do under other portions of the social security law. The unemployment compensation program is an interesting hybrid—a state-administered program established by a federal statute. Of the 3.1-percent tax now set by federal law, only 0.4 percent goes to the federal government, for administration and to finance special programs of extended benefits during time of economic stress.

A carrot was used, rather than a stick, to prevail on the states to fashion their own programs. Employers in the program are allowed a 2.7-percent federal tax credit for contributions to state programs. This is made attractive by providing an "experience rating" system under which an employer may pay less—often considerably less—than the 2.7 percent state tax (if his workers' unemployment compensation claims are low) but may still claim the full 2.7-percent tax credit. Businessmen in most places encouraged the state legislatures to institute unemployment compensation programs.

Amendments proposed by the administration call for a number of major changes besides bringing about 5 million workers under coverage (employees in small businesses and large farming operations are the major groups to be affected, apart from employees of the nonprofits). The annual wage base on which the payroll tax is levied would rise from the present \$3000 to \$5600 in 1967 and \$6600 in 1971. The federal portion of the tax would be increased from 0.40 to 0.55 percent, so the total rate would be 3.25 percent. With these additional funds, a federal program of "adjustment benefits"

Medicare: Enrollment Extension Likely

President Johnson snatched from a slow-moving Congress last week a politically popular proposal to extend the 31 March deadline for Medicare enrollment to 31 May (*Science*, 18 March).

As the deadline approached, bills proposing the extension began to proliferate. Organized pressure came, ironically, from the Republicans, whose spokesmen bear few scars from their long opposition to the program. A statement last week from the Republican Coordinating Committee (an arm of the National Committee) accused the administration of "inexcusable failures" and of victimizing the elderly with "endless red tape." The Republicans claim that because of difficult requirements, such as insistence on documentary proof of age, and a generally high-pressure campaign which confused and alienated potential beneficiaries, about 5 million eligible citizens had not enrolled.

According to the administration, Republican estimates are far too high: the official word is that 17 million people over 65 have enrolled in the medical insurance program, leaving 1 million who have deliberately decided against enrollment and another million who have simply not responded. "We have the slips of paper," said one government official. "I can't imagine where the Republicans got their figures." Republican officials say the figures are based on unofficial calculations made around the country.

Despite somewhat nasty charges, the spirit is bipartisan. The reason is that the extension is universally desired. The deadline was initially devised to make sure that the Social Security Administration would have time to put the program in order before benefits actually began being paid on 1 July. In that sense, it has already served its purpose. Thirteen million people have already received their insurance cards, and the Social Security Administration will clearly have enough time to deal with the latecomers as they sign up. The proposed extension has no enemies.

—E.L.

would be created outside the state programs. The federal program would be designed to give an additional period of compensation to workers with good employment records who lose their jobs as a result of automation or, presumably, of a decline in the economy of the region. The additional funds would also be put into federal grants to defray two-thirds of state benefit costs in excess of 2 percent of total wages. The proposed legislation would also provide federal standards on such matters as requirements for eligibility and amount of benefits, matters which have heretofore been left to the states.

As this was written, it appeared likely that the Ways and Means Committee was very close to unveiling a bill amending the unemployment compensation program. How closely it will resemble the administration bill is hard to say, since Ways and Means both has a reputation for independent action and likes to keep its executive-session business to itself.

The fact that an overhaul of unem-

ployment compensation is anticipated is itself noteworthy, since, for three decades, expansionary changes have been opposed by business interests and often by state-government representatives who resisted change either on states-rights grounds or from fears that increased costs to employers might make their own states less attractive to new industry.

The fate of the nonprofits will probably be determined by their treatment in the Ways and Means Committee bill, since the House, at least, tends to accept committee recommendations in such matters.

The arguments on which the case of the nonprofits rests were summed up in testimony given before the committee in August by William P. Tolley, chancellor of Syracuse University, for the American Council on Education.

Asking first that nonprofit educational organizations be exempted from paying the 0.55-percent federal portion of the tax because such a percentage would amount to more than the esti-