

CURRENT LABOR MARKET DEVELOPMENTS

HEARINGS
BEFORE THE
JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES
NINETY-SECOND CONGRESS
SECOND SESSION

PART 4

JULY 7, AUGUST 4, SEPTEMBER 1, OCTOBER 6, NOVEMBER 3,
DECEMBER 8, 1972, AND JANUARY 5, 1973

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CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, JULY 7, 1972

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 11:05 a.m., in room 1202, New Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senator Proxmire.

Also present: John R. Stark, executive director; Loughlin F. McHugh, senior economist; Courtenay M. Slater, economist; George D. Krumbhaar, Jr., and Walter B. Laessig, minority counsels; and Leslie J. Bander, minority economist.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

This morning we will continue with what's become a longstanding arrangement with the Bureau of Labor Statistics for a monthly discussion of employment and unemployment data.

Obviously, the unemployment level is moving in the right direction at last. It is encouraging news to see a drop in 1 month from 5.9 to 5.5 percent.

Incidentally, unemployment was last at 5.5 percent, according to our study, in October of 1970, which was at the beginning of the economic expansion. That's ironic. Unemployment was at 5.5 percent. During the entire economic expansion it's been at a higher level, but now that it's back to it, I hope that doesn't mean expansion will be over.

Also, it is heartening to note that the general business picture is looking a little brighter in the last 2 months. It is generally anticipated that real GNP will show a substantial gain for the second quarter. I hope and expect that this will be reflected in further reduction in the unemployment rate in the months ahead.

We also have to keep in mind that June is a particularly difficult month to interpret. Each June there is a flood of new entrants to the labor force as students seek work. This annual event creates difficult problems of seasonal adjustment. I recall that last June—you were here, Mr. Commissioner—the unemployment rate dropped spectacularly at that time from 6.2 percent to 5.6 percent in June. This time it has dropped by 0.4 percent. The last time it dropped 0.6 percent, but you cautioned us at that time the data might be distorted due to seasonal adjustment problems and to the particular day of the month on which the survey was taken. I would like to read from your statement of today at this point because I think it is very apropos.

You said that unemployment totaled 5.4 million in June, up 1.1 million in the last month. In other words, the number of unemployed increased in June, although unemployment, because of seasonal adjustments, dropped. Unemployment usually rises sharply in May and June because of the influx of a large number of young persons into the labor market.

However, the true increase was less than expected seasonally. Hence, the seasonal adjusted rate of unemployment declined. The decline took place among 16- to 24-year-old workers. Many of them are new entrants or reentrants to the labor force.

Among the major labor force groups, the teenage unemployment rate dropped from 15.7 percent to 14.5 percent with most of the decrease occurring among 18- and 19-year-olds. This brought the teenage rate to its lowest point in almost 2 years.

Jobless rates for adult men and adult women were lower in May, but all of this decline was among young adults in the 24-year-old-and-under group, and there's no change in the unemployment rate for men and women 25 years or older.

Jobless rates for household heads and married men remained at their May levels, so the entire improvement was in the lesser unemployment than was anticipated for teenagers and young adults. In any case, last year, when the seasonal factors were revised at the end of the year, it turned out that the May-to-June changes were only half as large as originally estimated.

Revised figures show that unemployment was 6.1 percent in May and 5.8 percent in June. Then in subsequent months, the rate went as high as 6.1 percent and continued bleak throughout 1971 and the first months of 1972.

Incidentally, I understand that the number of persons on nonfarm payroll jobs was unchanged in June over May. In other words, the unemployment may have increased because of the seasonal adjustment as far as young people are concerned, but the number of persons in the nonfarm payroll jobs is unchanged once you have made the seasonal adjustment.

In any case, I want to reiterate here that we cannot afford to slow down efforts to deal with the unemployment problem. As I have said before and repeat now, the administration has created unnecessary unemployment in its preoccupation with inflation. Inflation is, of course, a problem, but the way to deal with it is not to depress the economy and increase unemployment. Inflation requires a much more precise program for dealing with the big economic units that have strong market power—the big corporations and the big unions. By applying wage-price programs to these power concentrates, we can reduce inflation.

I believe the effort to reduce unemployment must be continued until the rate is down to at least 3 percent. As a matter of fact, this committee is undertaking studies of the possibility of getting the unemployment rate even lower. I intend to continue stressing the great importance of achieving full employment and to push for additional measures to reduce unemployment.

Mr. Moore, it is a pleasure to welcome you and your colleagues before this committee again. Please proceed with your statement.

Mr. MOORE. Thank you.

I have with me—

Chairman PROXMIRE. Let me announce that we intended to hear from Puerto Rican experts about the unemployment problems in Puerto Rico. They have asked that their appearance be postponed until next month, so we shall hear from them in August, and we will hear them at an early hour, so you will be able to come over at 11 o'clock.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; JOEL POPKIN, ASSISTANT COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND VICTOR SHEIFER, CHIEF, DIVISION OF TRENDS IN EMPLOYEE COMPENSATION

Mr. MOORE. I have with me one new member of the cast, Victor Sheifer from our Office of Wages and Industrial Relations.

First of all, I would like to put into the record, if we may, the two releases that we issued this morning.

Chairman PROXMIRE. Without objection, they will be printed in full.

That's the release on the employment situation and the release on the wholesale price index.

(The releases referred to follow:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-453, July 7, 1972]

THE EMPLOYMENT SITUATION: JUNE 1972

The Nation's unemployment rate dropped to 5.5 percent in June, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The decline, from 5.9 percent in May, brought the jobless rate to its lowest level in more than a year and a half. Thus far in 1972, the jobless rate has been below year-ago levels.

Total employment rose 275,000 from the May level, continuing the upward trend in evidence over the past year. Since July 1971, there has been an increase of nearly 2.4 million employed persons. Nonfarm payroll employment was essentially unchanged over the month, following steady gains since last August.

UNEMPLOYMENT

The number of unemployed persons totaled 5.4 million in June, up 1.1 million from the previous month. Unemployment usually rises sharply between May and June, because of the influx of large numbers of young persons into the labor market following the end of the school year. However, the June increase was less than expected seasonally; hence, the seasonally adjusted rate of unemployment declined. The decline took place among 16-24 year-old workers, many of whom were new entrants or re-entrants to the labor force.

Among the major labor force groups, the teenage unemployment rate dropped from 15.7 to 14.5 percent, with most of the decrease occurring among 18 and 19 year-olds. This brought the teenage rate to its lowest point in almost 2 years. Jobless rates for adult men (4.0 percent) and adult women (5.5 percent) were lower than in May; all of this decline, however, was among young adults in the 20-24 year age group, and there was no change in the unemployment rates for men and women 25 years or older. Jobless rates for household heads (3.6 percent) and for married men (2.9 percent) remained at their May levels.

The improvement in the employment situation was experienced by both white and Negro workers, as the jobless rate for whites dropped from 5.3 to 5.0 percent and the rate for Negro workers fell from 10.7 to 9.4 percent. The unemployment rate for full-time workers (5.0 percent) dropped sharply over the month to its

lowest level in more than a year and a half. However, the jobless rate for part-time workers rose moderately to 8.8 percent in June. The jobless rate for workers covered by State unemployment insurance programs remained essentially unchanged in June at 3.6 percent.

Jobless rate declines occurred in every major occupational group and in all but one of the industry groups. (See table A-3.) The largest over-the-month drop was among persons whose last job was in construction, as their rate fell from 12.5 to 9.5 percent, more than offsetting the rise in the previous month. There was also a small decrease among manufacturing workers, whose June rate (5.6 percent) was 1.1 percentage points below a year earlier.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | June 1972 | May 1972 | April 1972 | 2d quarter, 1972 | 1st quarter, 1972 | 4th quarter, 1971 | 3d quarter, 1971 | 2d quarter, 1971 |
|--|--|--|---------------------|--|-------------------------|-------------------------|------------------------|------------------------|
| Civilian labor force ¹ (mil- lions of persons)..... | 86.4 | 86.5 | 86.3 | 86.4 | 85.9 | 85.0 | 84.2 | 83.7 |
| Total employment ¹ | 81.7 | 81.4 | 81.2 | 81.4 | 80.8 | 80.0 | 79.2 | 78.7 |
| Adult men..... | 46.9 | 46.6 | 46.5 | 46.7 | 46.4 | 46.1 | 45.9 | 45.7 |
| Adult women..... | 28.0 | 27.9 | 27.9 | 27.9 | 27.9 | 27.5 | 27.1 | 26.9 |
| Teenagers..... | 6.7 | 6.9 | 6.8 | 6.8 | 6.6 | 6.3 | 6.2 | 6.1 |
| Unemployment..... | 4.7 | 5.1 | 5.1 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Unemployment rates (per- cent of labor force): | | | | | | | | |
| All workers..... | 5.5 | 5.9 | 5.9 | 5.8 | 5.8 | 5.9 | 6.0 | 6.0 |
| Adult men..... | 4.0 | 4.3 | 4.3 | 4.2 | 4.1 | 4.3 | 4.4 | 4.4 |
| Adult women..... | 5.5 | 5.9 | 5.4 | 5.6 | 5.3 | 5.7 | 5.7 | 5.8 |
| Teenagers..... | 14.5 | 15.7 | 17.3 | 15.8 | 18.2 | 16.9 | 16.8 | 16.9 |
| White..... | 5.0 | 5.3 | 5.4 | 5.3 | 5.3 | 5.4 | 5.5 | 5.5 |
| Negro and other races... Household heads..... | 9.4 3.6 | 10.7 3.6 | 9.6 3.4 | 9.9 3.5 | 10.6 3.4 | 10.1 3.6 | 10.1 3.7 | 9.9 3.7 |
| Married men..... | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 3.2 | 3.2 | 3.2 |
| Full-time workers..... | 5.0 | 5.6 | 5.4 | 5.3 | 5.4 | 5.6 | 5.5 | 5.5 |
| State insured ² | 3.6 | 3.7 | 3.6 | 3.6 | 3.5 | 4.2 | 4.2 | 4.1 |
| Average duration of unem- ployment (weeks)..... | 13.5 | 12.5 | 12.4 | 12.8 | 12.2 | 11.9 | 11.7 | 11.7 |
| Nonfarm payroll employment (millions of persons)..... | ³ 72.6 | ³ 72.5 | ³ 72.3 | ³ 72.5 | 71.8 | 71.0 | 70.6 | 70.7 |
| Goods-producing indus- tries..... | ³ 22.8 | ³ 22.8 | ³ 22.7 | ³ 22.8 | 22.6 | 22.4 | 22.4 | 22.5 |
| Service-producing indus- tries..... | ³ 49.8 | ³ 49.7 | ³ 49.6 | ³ 49.7 | 49.2 | 48.6 | 48.3 | 48.1 |
| Average weekly hours (hours of work): | | | | | | | | |
| Total private nonfarm... Manufacturing..... Manufacturing over- time..... | ³ 37.2 ³ 40.6 ³ 3.3 | ³ 37.0 ³ 40.5 ³ 3.4 | 37.3 40.8 3.6 | ³ 37.2 ³ 40.6 ³ 3.4 | 37.1 40.3 3.1 | 37.1 40.1 3.0 | 36.8 39.8 2.9 | 37.0 39.9 2.9 |
| Hourly earnings index, pri- vate nonfarm (1967 equals 100): | | | | | | | | |
| In current dollars..... | ³ 137.0 | ³ 136.8 | 136.6 | ³ 136.8 | 134.9 | 132.2 | 130.7 | 128.8 |
| In constant dollars..... | (⁴) | ³ 109.7 | 109.9 | (⁴) | 108.9 | 107.7 | 107.2 | 106.7 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

² For calculation of this rate, see table A-3, footnote 2.

³ Preliminary.

⁴ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

The average (mean) duration of unemployment, at 13.5 weeks (seasonally adjusted) in June, was a week greater than in the previous month and a year ago.

LABOR FORCE AND EMPLOYMENT

There was virtually no change in the civilian labor force (86.4 million, seasonally adjusted) between May and June. The total number of employed persons rose by 275,000 to a level of 81.7 million. A decrease of 160,000 in the number of employed teenagers was more than balanced by an increase of 440,000 among adults.

Since July 1971, total employment has risen by nearly 2.4 million (after eliminating the effects of the 1970 Census population control adjustment introduced

in January 1972). Adult men accounted for nearly 950,000 over-the-year increase in employment, while adult women and teenagers accounted for 900,000 and 500,000, respectively.

VIETNAM ERA VETERANS

Of the 4.2 million Vietnam Era veterans 20 to 29 years old in the labor force in June, nearly 4 million were employed and 280,000 were unemployed. The number employed was 550,000 above a year ago, in line with the gain in the veteran population; there was little change in the number of unemployed.

The veterans' unemployment rate was 7.2 percent in June, seasonally adjusted, compared with 8.1 percent in May, 8.6 percent in April, and 8.9 percent last June. All of the over-the-year improvement occurred among younger veterans (ages 20-24), whose rate in June 1972 dropped to 9.9 percent from 13.5 percent in June 1971. In contrast, the jobless rate for veterans aged 25-29 (5.3 percent) has not changed materially in more than a year.

For nonveterans in the 20-29 year age group, the seasonally adjusted unemployment rate was 6.5 percent in June 1972, slightly below the levels prevailing for more than a year. Like the veterans, nonveterans aged 20-24 registered an improvement in their unemployment rate over the year, while the rate for those in ages 25-29 was unchanged. The gap between the unemployment rate of veterans and the lower rate of nonveterans has been narrowing since October 1971. For the first half of 1972, the difference averaged less than 1 percentage point, half that prevailing in the same period a year earlier.

INDUSTRY PAYROLL EMPLOYMENT

The number of persons on nonfarm payroll jobs was essentially unchanged in June at 72.6 million, seasonally adjusted. Since last August, however, payroll employment has risen by over 2.0 million. Employment continued to increase in the service-producing industries in June, but this was countered by a decline in the goods-producing sector.

In the service-producing sector, employment rose 80,000, seasonally adjusted, as large gains were posted in services and State and local government. Employment was essentially unchanged in transportation and public utilities, trade, and finance, insurance, and real estate, but Federal government employment showed a substantial decline over the month. Since August 1971, service-producing employment has increased by nearly 1.6 million jobs.

In the goods-producing industries, manufacturing employment declined by 50,000, seasonally adjusted, after registering strong gains over the previous 5 months. Most of this decrease occurred in the durable goods sector, largely in primary metals and transportation equipment. The number of workers on contract construction and mining payrolls was little changed in June.

HOURS OF WORK

The average workweek for all rank-and-file workers on private nonagricultural payrolls rose by 0.5 hour in June. This was somewhat more than the usual May-June change, and, after seasonal adjustment, the average workweek rose 0.2 hour to 37.2 hours. The increase was spread throughout the major industry divisions.

Hours of work in manufacturing were little changed after seasonal adjustment, but, at 40.6 hours, the factory workweek was six-tenths of an hour above the year-ago level. Factory overtime hours were also about unchanged in June—at 3.3 hours, seasonally adjusted—but were 0.4 hour above the June 1971 level.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of production and nonsupervisory workers on private nonagricultural payrolls edged up 1 cent in June to \$3.62, both before and after seasonal adjustment. Compared with June a year ago, hourly earnings have risen 20 cents, or 5.8 percent.

The small gain in hourly earnings, coupled with the increase in weekly hours, resulted in a rise of \$2.18 in average weekly earnings to \$135.39. This gain was cut in half, however, after adjustment for seasonality.

Compared with June 1971, average weekly earnings have risen \$7.82 or 6.1 percent. During the latest 12-month period for which the Consumer Price Index is available—May 1971 to May 1972—consumer prices rose 3.2 percent.

HOURLY EARNINGS INDEX

In June, the Bureau's Hourly Earnings Index, seasonally adjusted, was 137.0 (1967=100), 0.2 percent higher than in May, according to preliminary figures. The index was 5.9 percent higher than June a year ago. (See table B-4.) Between June 1971 and June 1972, all industries posted increases, ranging from 4.5 percent in finance, insurance and real estate to 10.5 percent in transportation and public utilities. During the 12-month period ending in May, the Hourly Earnings Index in dollars of constant purchasing power rose 2.6 percent.

QUARTERLY DEVELOPMENTS

The April-June period was the fourth straight quarter that the civilian labor force and total employment increased substantially. The unemployment rate in the second quarter was little changed from the previous quarter but was below 1971 levels.

LABOR FORCE AND TOTAL EMPLOYMENT

The civilian labor force advanced 540,000, seasonally adjusted, in the second quarter to 86.4 million. Most of this increase took place among adult men. Since the second quarter of 1971, the civilian labor force has posted substantial quarter-to-quarter gains, rising by almost 2.4 million during the period.

Total employment rose 590,000 (seasonally adjusted) in the second quarter to 81.4 million. Over half of the increase was among adult men, and all of it occurred among persons with full-time jobs. After remaining weak during most of 1970 and the first half of 1971, employment has risen sharply over the last four quarters—by 2.4 million—consisting of 900,000 adult women, 870,000 adult men, and 600,000 teenagers.

UNEMPLOYMENT

The number of jobless persons averaged 5.0 million (seasonally adjusted) in the second quarter, essentially the same level that has prevailed since the fourth quarter of 1970. The unemployment rate in the second quarter, at 5.7 percent, was little changed from the first quarter but was below the levels posted throughout 1971, when it averaged 5.9 percent.

Although the number of persons without work has remained stable over the last year and a half, there have been significant changes in the reasons why persons have become unemployed. Part of this is due to the large labor force increases; in the second quarter of 1972, there were 140,000 more unemployed persons who had never held a job before than in the second quarter of 1971. In contrast, the number of persons jobless this quarter because they lost their last job, at 2.2 million, was 170,000 less than a year ago. The number of persons out of work because they re-entered the labor force was about the same as in the year-ago quarter of 1971, but there was some increase in the number who voluntarily quit their last job to seek another one.

For adult men, the jobless rate in the second quarter, at 4.2 percent, was essentially unchanged from the first quarter, while the average for adult women moved up from 5.3 to 5.6 percent, after declining by about the same magnitude between the previous two quarters. The unemployment rate for teenagers was down substantially from its post-World War II record high of 18.2 percent in the first quarter and, at 15.8 percent, reached its lowest level since the third quarter of 1970. For household heads, the unemployment rate in the second quarter was 3.5 percent; their rate has remained in the 3.4-to-3.7 percent range since the third quarter of 1970.

The jobless rate for Negro workers declined from 10.6 to 9.9 percent in the second quarter, a return to the level of a year ago. This drop was attributable chiefly to the improved job situation for black teenagers, whose unemployment rate receded from the first quarter record high of 37.9 percent to 31.7 percent. The rate for whites, at 5.3 percent, was unchanged over the quarter, although slightly below the levels that prevailed throughout 1971. Because of these developments, the ratio of Negro-to-white jobless rates edged below the 2-to-1 mark again to 1.9 to 1. Prior to first quarter 1972, this ratio had been consistently below 2 to 1 since the fall of 1969. Negro-to-white jobless rate ratios were slightly lower over the quarter for adult women (from 1.9:1 to 1.7:1) and for teenagers (from 2.4:1 to 2.3:1), while the ratio for adult men held steady at 1.8 to 1.

INDUSTRY EMPLOYMENT

Nonagricultural payroll employment advanced 670,000 in the second quarter (seasonally adjusted) to 72.5 million. Since the third quarter of last year, payroll employment has expanded by 1.8 million. Job increases in the second quarter took place in both the goods-producing and service-producing sectors of the economy.

In the goods-producing industries, employment was up 180,000 over the April-June quarter to 22.8 million, its highest level since the third quarter of 1970. The number of workers on factory payrolls advanced 220,000 over the quarter to 18.9 million. This was the largest quarterly gain in 6 years and returned factory employment to its highest level since just prior to the auto strike in 1970; however, the manufacturing job level was still more than 1.3 million below the alltime high reached in the third quarter of 1969.

In the service-producing sector, employment averaged 49.7 million in the second quarter, an increase of 500,000 from the first quarter and 1.1 million from the last quarter of 1971. The second quarter gain was concentrated in retail trade, services, and State and local government.

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

NOTE.—Figures for periods prior to January 1972 in the tables and charts are not strictly comparable with current data because of the introduction of 1970 Census data into the estimation procedures. For example, the civilian labor force and employment totals were raised by more than 300,000 as a result of the census adjustment. An explanation of the changes and an indication of the difference appear in "Revisions in the Current Population Survey" in the February 1972 issue of "Employment and Earnings."

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

| Employment status, age, and sex | [In thousands] | | | | | | | |
|--|---------------------|----------|-----------|-----------|----------|------------|------------|---------------|
| | Seasonally adjusted | | | | | | | February 1972 |
| | June 1972 | May 1972 | June 1971 | June 1972 | May 1972 | April 1972 | March 1972 | |
| TOTAL | | | | | | | | |
| Total labor force..... | 90,448 | 87,986 | 87,784 | 88,788 | 88,905 | 88,747 | 88,817 | 88,075 |
| Civilian labor force..... | 88,055 | 85,567 | 84,968 | 86,395 | 86,486 | 86,284 | 86,313 | 85,535 |
| Employed..... | 82,629 | 81,223 | 79,478 | 81,667 | 81,394 | 81,205 | 81,241 | 80,623 |
| Agriculture..... | 3,976 | 3,531 | 3,920 | 3,337 | 3,353 | 3,324 | 3,482 | 3,357 |
| Nonagricultural industries..... | 78,653 | 77,692 | 75,559 | 78,330 | 78,041 | 77,881 | 77,759 | 77,266 |
| On part time for economic reasons..... | 3,055 | 2,113 | 2,657 | 2,521 | 2,421 | 2,558 | 2,416 | 2,303 |
| Usually work full time..... | 1,177 | 996 | 1,142 | 1,022 | 1,102 | 1,131 | 1,155 | 1,127 |
| Usually work part time..... | 1,878 | 1,117 | 1,515 | 1,499 | 1,319 | 1,427 | 1,261 | 1,176 |
| Unemployed..... | 5,426 | 4,344 | 5,490 | 4,728 | 5,092 | 5,079 | 5,072 | 4,912 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 49,293 | 48,519 | 48,220 | 48,882 | 48,700 | 48,614 | 48,582 | 48,181 |
| Employed..... | 47,391 | 46,680 | 46,226 | 46,919 | 46,628 | 46,541 | 46,569 | 46,255 |
| Agriculture..... | 2,642 | 2,500 | 2,627 | 2,437 | 2,404 | 2,370 | 2,400 | 2,394 |
| Nonagricultural industries..... | 44,749 | 44,180 | 43,599 | 44,482 | 44,224 | 44,171 | 44,169 | 43,861 |
| Unemployed..... | 1,902 | 1,840 | 1,994 | 1,963 | 2,072 | 2,073 | 2,013 | 1,926 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 29,240 | 29,649 | 28,143 | 29,657 | 29,625 | 29,508 | 29,574 | 29,358 |
| Employed..... | 27,597 | 28,097 | 26,526 | 28,029 | 27,883 | 27,913 | 27,972 | 27,878 |
| Agriculture..... | 669 | 629 | 692 | 496 | 551 | 563 | 620 | 575 |
| Nonagricultural industries..... | 26,927 | 27,469 | 25,834 | 27,533 | 27,332 | 27,350 | 27,352 | 27,303 |
| Unemployed..... | 1,643 | 1,552 | 1,617 | 1,628 | 1,742 | 1,595 | 1,602 | 1,480 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 9,522 | 7,399 | 8,605 | 7,856 | 8,161 | 8,162 | 8,157 | 7,996 |
| Employed..... | 7,641 | 6,447 | 6,726 | 6,719 | 6,883 | 6,751 | 6,700 | 6,490 |
| Agriculture..... | 665 | 403 | 601 | 404 | 398 | 391 | 462 | 388 |
| Nonagricultural industries..... | 6,977 | 6,044 | 6,126 | 6,315 | 6,485 | 6,360 | 6,238 | 6,102 |
| Unemployed..... | 1,880 | 952 | 1,879 | 1,137 | 1,278 | 1,411 | 1,457 | 1,506 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE BY SEX AND AGE
[Numbers in thousands]

| Full- and part-time employment status, sex, and age | Seasonally adjusted | | | | | | | |
|---|---------------------|-----------|-----------|----------|------------|------------|---------------|-----------|
| | June 1972 | June 1971 | June 1972 | May 1972 | April 1972 | March 1972 | February 1972 | June 1971 |
| | FULL TIME | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 77,309 | 74,058 | 74,333 | 74,032 | 73,691 | 73,714 | 72,997 | 71,427 |
| Employed..... | 72,775 | 69,402 | 70,643 | 69,918 | 69,725 | 69,734 | 69,123 | 67,616 |
| Unemployed..... | 4,533 | 4,657 | 3,690 | 4,114 | 3,966 | 3,980 | 3,874 | 3,811 |
| Unemployment rate..... | 5.9 | 6.3 | 5.0 | 5.6 | 5.4 | 5.4 | 5.3 | 5.3 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 47,114 | 46,092 | 46,504 | 46,330 | 46,199 | 46,123 | 45,847 | 45,498 |
| Employed..... | 45,371 | 44,208 | 44,745 | 44,441 | 44,330 | 44,282 | 44,074 | 43,598 |
| Unemployed..... | 1,743 | 1,883 | 1,759 | 1,889 | 1,869 | 1,841 | 1,773 | 1,900 |
| Unemployment rate..... | 3.7 | 4.1 | 3.8 | 4.1 | 4.0 | 4.0 | 3.9 | 4.2 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 23,410 | 22,277 | 23,483 | 23,292 | 23,145 | 23,208 | 22,921 | 22,344 |
| Employed..... | 22,047 | 20,939 | 22,180 | 21,828 | 21,896 | 21,904 | 21,691 | 21,065 |
| Unemployed..... | 1,363 | 1,338 | 1,303 | 1,464 | 1,249 | 1,304 | 1,230 | 1,279 |
| Unemployment rate..... | 5.8 | 6.0 | 5.5 | 6.3 | 5.4 | 5.6 | 5.4 | 5.7 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 10,746 | 10,910 | 11,867 | 12,406 | 12,466 | 12,596 | 12,540 | 12,064 |
| Employed..... | 9,853 | 10,077 | 10,825 | 11,403 | 11,369 | 11,497 | 11,482 | 11,100 |
| Unemployed..... | 893 | 833 | 1,042 | 1,003 | 1,097 | 1,099 | 1,058 | 964 |
| Unemployment rate..... | 8.3 | 7.6 | 8.8 | 8.1 | 8.8 | 8.7 | 8.4 | 8.0 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS
[Persons 16 years and over]

| Selected categories | Thousands of persons unemployed | | Seasonally adjusted rates of unemployment | | | | | |
|---|---------------------------------|-----------|---|----------|------------|------------|---------------|-----------|
| | June 1972 | June 1971 | June 1972 | May 1972 | April 1972 | March 1972 | February 1972 | June 1971 |
| Total (all civilian workers)..... | 5,426 | 5,490 | 5.5 | 5.9 | 5.9 | 5.9 | 5.7 | 5.8 |
| Men, 20 years and over..... | 1,902 | 1,994 | 4.0 | 4.3 | 4.3 | 4.1 | 4.0 | 4.3 |
| Women, 20 years and over..... | 1,643 | 1,617 | 5.5 | 5.9 | 5.4 | 5.4 | 5.0 | 5.6 |
| Both sexes, 16-19 years..... | 1,880 | 1,879 | 14.5 | 15.7 | 17.3 | 17.9 | 18.8 | 16.2 |
| White..... | 4,299 | 4,403 | 5.0 | 5.3 | 5.4 | 5.3 | 5.1 | 5.3 |
| Negro and other races..... | 1,126 | 1,087 | 9.4 | 10.7 | 9.6 | 10.5 | 10.5 | 9.4 |
| Household heads..... | 1,619 | 1,609 | 3.6 | 3.6 | 3.4 | 3.4 | 3.3 | 3.7 |
| Married men..... | 991 | 1,061 | 2.9 | 2.9 | 2.9 | 2.8 | 2.8 | 3.1 |
| Full-time workers..... | 4,533 | 4,657 | 5.0 | 5.6 | 5.4 | 5.4 | 5.3 | 5.3 |
| Part-time workers..... | 893 | 833 | 8.8 | 8.1 | 8.8 | 8.7 | 8.4 | 8.0 |
| Unemployed 15 weeks and over ¹ | 1,140 | 1,167 | 1.3 | 1.4 | 1.3 | 1.4 | 1.5 | 1.4 |
| State insured ² | 1,612 | 1,902 | 3.6 | 3.7 | 3.6 | 3.5 | 3.5 | 4.2 |
| Labor force time lost ³ | | | 5.5 | 6.3 | 6.3 | 6.3 | 6.1 | 5.6 |
| OCCUPATION⁴ | | | | | | | | |
| White-collar workers..... | 1,461 | 1,487 | 3.1 | 3.6 | 3.4 | 3.5 | 3.3 | 3.2 |
| Professional and technical... Managers and administrators, except farm..... | 332 | 395 | 1.9 | 2.4 | 2.3 | 2.5 | 2.5 | 2.2 |
| Sales workers..... | 110 | 144 | 1.4 | 1.5 | 1.8 | 1.9 | 1.7 | 1.7 |
| Clerical workers..... | 249 | 241 | 4.0 | 4.5 | 3.7 | 4.1 | 4.0 | 4.1 |
| Blue-collar workers..... | 770 | 707 | 4.8 | 5.3 | 4.9 | 4.9 | 4.7 | 4.7 |
| Craftsmen and kindred workers..... | 1,918 | 2,044 | 6.4 | 6.8 | 6.8 | 6.9 | 7.0 | 7.1 |
| Operatives..... | 431 | 363 | 4.5 | 4.7 | 4.4 | 4.0 | 4.4 | 4.1 |
| Nonfarm laborers..... | 1,006 | 1,169 | 6.8 | 7.1 | 7.4 | 7.7 | 7.5 | 8.2 |
| Service workers..... | 480 | 512 | 9.5 | 10.9 | 10.7 | 11.7 | 11.8 | 11.1 |
| Farm workers..... | 791 | 833 | 5.7 | 6.1 | 6.3 | 6.6 | 5.9 | 6.3 |
| | 81 | 72 | 2.6 | 3.0 | 2.2 | 1.9 | 2.7 | 2.3 |
| INDUSTRY⁴ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁵ | 3,590 | 3,825 | 5.5 | 6.0 | 5.9 | 6.1 | 5.9 | 6.1 |
| Construction..... | 344 | 354 | 9.5 | 12.5 | 10.6 | 9.8 | 10.3 | 10.3 |
| Manufacturing..... | 1,132 | 1,327 | 5.6 | 6.0 | 5.8 | 6.2 | 6.0 | 6.7 |
| Durable goods..... | 636 | 785 | 5.7 | 6.3 | 5.8 | 6.3 | 6.1 | 7.0 |
| Nondurable goods..... | 497 | 542 | 5.5 | 5.7 | 5.9 | 6.1 | 6.0 | 6.2 |
| Transportation and public utilities..... | 153 | 165 | 3.1 | 3.5 | 3.7 | 4.0 | 3.9 | 3.4 |
| Wholesale and retail trade..... | 1,115 | 1,049 | 6.5 | 6.3 | 6.2 | 6.7 | 6.2 | 6.5 |
| Finance and service industries..... | 835 | 905 | 4.2 | 5.0 | 5.1 | 5.3 | 4.9 | 4.8 |
| Government workers..... | 483 | 474 | 2.5 | 2.9 | 2.9 | 2.8 | 2.8 | 2.6 |
| Agricultural wage and salary workers..... | 97 | 79 | 7.5 | 8.8 | 6.0 | 6.0 | 8.3 | 6.3 |

¹ Unemployment rate calculated as a percent of civilian labor force.

² Insured unemployment under State programs—unemployment rate calculated as a percent of average covered employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.

³ Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.

⁴ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

⁵ Including mining, not shown separately.

TABLE A-4.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT
[In thousands]

| Duration of unemployment | Seasonally adjusted | | | | | | | |
|--|---------------------|-----------|-----------|----------|------------|------------|---------------|-----------|
| | June 1972 | June 1971 | June 1972 | May 1972 | April 1972 | March 1972 | February 1972 | June 1971 |
| Less than 5 weeks..... | 3,056 | 2,976 | 2,175 | 2,223 | 2,169 | 2,311 | 2,142 | 2,118 |
| 5 to 14 weeks..... | 1,230 | 1,346 | 1,437 | 1,514 | 1,521 | 1,412 | 1,454 | 1,572 |
| 15 weeks and over..... | 1,140 | 1,167 | 1,148 | 1,180 | 1,137 | 1,224 | 1,294 | 1,175 |
| 15 to 26 weeks..... | 570 | 607 | 594 | 587 | 482 | 591 | 634 | 630 |
| 27 weeks and over..... | 570 | 560 | 554 | 593 | 655 | 633 | 660 | 545 |
| Average (mean) duration, in weeks..... | 11.0 | 10.3 | 13.5 | 12.5 | 12.4 | 12.4 | 12.5 | 12.6 |

TABLE A-5.—UNEMPLOYED PERSONS BY REASON FOR UNEMPLOYMENT

[Numbers in thousands]

| Reason for unemployment | June 1972 | June 1971 | Seasonally adjusted | | | | | |
|--|-----------|-----------|---------------------|----------|------------|------------|---------------|-----------|
| | | | June 1972 | May 1972 | April 1972 | March 1972 | February 1972 | June 1971 |
| NUMBER OF UNEMPLOYED | | | | | | | | |
| Lost last job..... | 1,912 | 2,026 | 2,210 | 2,199 | 2,040 | 2,118 | 2,077 | 2,342 |
| Left last job..... | 600 | 481 | 624 | 649 | 611 | 674 | 603 | 501 |
| Reentered labor force..... | 1,745 | 1,931 | 1,238 | 1,460 | 1,557 | 1,542 | 1,503 | 1,371 |
| Never worked before..... | 1,169 | 1,051 | 621 | 802 | 917 | 737 | 713 | 558 |
| PERCENT DISTRIBUTION | | | | | | | | |
| Total unemployed..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Lost last job..... | 35.3 | 36.9 | 47.1 | 43.0 | 39.8 | 41.8 | 42.4 | 49.1 |
| Left last job..... | 11.1 | 8.8 | 13.3 | 12.7 | 11.9 | 13.3 | 12.3 | 10.5 |
| Reentered labor force..... | 32.2 | 35.2 | 26.4 | 28.6 | 30.4 | 30.4 | 30.7 | 28.7 |
| Never worked before..... | 21.5 | 19.1 | 13.2 | 15.7 | 17.9 | 14.5 | 14.6 | 11.7 |
| UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE | | | | | | | | |
| Lost last job..... | 2.2 | 2.4 | 2.6 | 2.5 | 2.4 | 2.5 | 2.4 | 2.8 |
| Left last job..... | .7 | .6 | .7 | .8 | .7 | .8 | .7 | .6 |
| Reentered labor force..... | 2.0 | 2.3 | 1.4 | 1.7 | 1.8 | 1.8 | 1.8 | 1.6 |
| Never worked before..... | 1.3 | 1.2 | .7 | .9 | 1.1 | .9 | .8 | .7 |

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work, June 1972 | Seasonally adjusted unemployment rates | | | | | |
|--|----------------------|--------------|---|--|------------|------------|------------|---------------|------------|
| | June 1972 | June 1971 | | June 1972 | May 1972 | April 1972 | March 1972 | February 1972 | June 1971 |
| Total, 16 years and over..... | 5,426 | 5,489 | 83.5 | 5.5 | 5.9 | 5.9 | 5.9 | 5.7 | 5.8 |
| 16 to 19 years..... | 1,880 | 1,878 | 75.9 | 14.5 | 15.7 | 17.3 | 17.9 | 18.8 | 16.2 |
| 16 and 17 years..... | 964 | 950 | 66.7 | 16.5 | 16.6 | 19.1 | 20.7 | 22.0 | 18.7 |
| 18 and 19 years..... | 916 | 928 | 85.6 | 12.9 | 15.8 | 15.5 | 15.8 | 16.7 | 14.3 |
| 20 to 24 years..... | 1,247 | 1,344 | 89.3 | 8.7 | 9.9 | 10.0 | 9.9 | 8.8 | 10.1 |
| 25 years and over..... | 2,298 | 2,267 | 86.7 | 3.9 | 3.9 | 3.8 | 3.7 | 3.6 | 3.9 |
| 25 to 54 years..... | 1,819 | 1,829 | 89.4 | 4.0 | 4.0 | 3.8 | 3.9 | 3.7 | 4.1 |
| 55 years and over..... | 479 | 440 | 76.2 | 3.6 | 3.6 | 3.6 | 3.3 | 3.1 | 3.3 |
| Males, 16 years and over..... | 2,827 | 2,972 | 87.2 | 4.8 | 5.3 | 5.3 | 5.3 | 5.3 | 5.2 |
| 16 to 19 years..... | 925 | 978 | 77.9 | 13.8 | 16.6 | 16.7 | 17.8 | 19.6 | 16.1 |
| 16 and 17 years..... | 480 | 509 | 66.7 | 15.4 | 18.0 | 19.3 | 21.4 | 21.8 | 18.4 |
| 18 and 19 years..... | 444 | 469 | 90.3 | 12.4 | 16.2 | 14.8 | 15.1 | 17.6 | 14.3 |
| 20 to 24 years..... | 667 | 741 | 91.2 | 8.3 | 9.4 | 10.7 | 10.4 | 9.2 | 10.1 |
| 25 years and over..... | 1,235 | 1,253 | 91.8 | 3.3 | 3.4 | 3.3 | 3.2 | 3.2 | 3.4 |
| 25 to 54 years..... | 956 | 992 | 95.9 | 3.3 | 3.4 | 3.2 | 3.1 | 3.2 | 3.5 |
| 55 years and over..... | 280 | 262 | 77.5 | 3.5 | 3.5 | 3.5 | 3.4 | 3.2 | 3.3 |
| Females, 16 years and over..... | 2,599 | 2,517 | 79.6 | 6.5 | 6.8 | 6.8 | 6.8 | 6.4 | 6.7 |
| 16 to 19 years..... | 956 | 900 | 73.8 | 15.4 | 14.6 | 18.0 | 17.9 | 17.9 | 16.3 |
| 16 and 17 years..... | 484 | 441 | 66.7 | 18.1 | 14.8 | 19.0 | 19.8 | 22.3 | 19.3 |
| 18 and 19 years..... | 472 | 459 | 81.1 | 13.5 | 15.3 | 16.4 | 16.8 | 15.6 | 14.4 |
| 20 to 24 years..... | 581 | 603 | 86.9 | 9.2 | 10.6 | 9.0 | 9.2 | 8.4 | 10.1 |
| 25 years and over..... | 1,063 | 1,014 | 80.8 | 4.8 | 4.8 | 4.6 | 4.7 | 4.3 | 4.7 |
| 25 to 54 years..... | 863 | 837 | 82.3 | 5.1 | 5.0 | 4.9 | 5.1 | 4.7 | 5.2 |
| 55 years and over..... | 199 | 178 | 74.4 | 3.8 | 3.8 | 3.6 | 3.1 | 2.9 | 3.5 |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

[Numbers in thousands]

| Employment status | June 1972 | May 1972 | June 1971 | Seasonally adjusted | | | | | June 1971 |
|---|--------------|-------------|--------------|---------------------|-------------|---------------|---------------|------------------|--------------|
| | | | | June 1972 | May 1972 | April 1972 | March 1972 | February 1972 | |
| VETERANS¹ | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population..... | 4,529 | 4,519 | 4,032 | (2) | (2) | (2) | (2) | (2) | (2) |
| Civilian labor force..... | 4,230 | 4,166 | 3,699 | 4,183 | 4,196 | 4,161 | 4,137 | 4,100 | 3,664 |
| Employed..... | 3,950 | 3,854 | 3,399 | 3,881 | 3,858 | 3,804 | 3,783 | 3,798 | 3,339 |
| Unemployed..... | 280 | 312 | 300 | 302 | 338 | 357 | 354 | 302 | 325 |
| Unemployment rate..... | 6.6 | 7.5 | 8.1 | 7.2 | 8.1 | 8.6 | 8.6 | 7.4 | 8.9 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population..... | 1,943 | 1,970 | 1,952 | (2) | (2) | (2) | (2) | (2) | (2) |
| Civilian labor force..... | 1,792 | 1,783 | 1,734 | 1,775 | 1,792 | 1,810 | 1,817 | 1,842 | 1,724 |
| Employed..... | 1,632 | 1,613 | 1,521 | 1,600 | 1,608 | 1,581 | 1,594 | 1,663 | 1,491 |
| Unemployed..... | 160 | 170 | 213 | 175 | 184 | 229 | 223 | 179 | 233 |
| Unemployment rate..... | 8.9 | 9.5 | 12.3 | 9.9 | 10.3 | 12.7 | 12.3 | 9.7 | 13.5 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population..... | 2,586 | 2,549 | 2,080 | (2) | (2) | (2) | (2) | (2) | (2) |
| Civilian labor force..... | 2,438 | 2,383 | 1,965 | 2,408 | 2,404 | 2,351 | 2,320 | 2,258 | 1,940 |
| Employed..... | 2,318 | 2,241 | 1,878 | 2,281 | 2,250 | 2,223 | 2,189 | 2,135 | 1,848 |
| Unemployed..... | 120 | 142 | 87 | 127 | 154 | 128 | 131 | 123 | 92 |
| Unemployment rate..... | 4.9 | 6.0 | 4.4 | 5.3 | 6.4 | 5.4 | 5.6 | 5.4 | 4.7 |
| NONVETERANS | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population..... | 10,036 | 9,914 | 9,405 | (2) | (2) | (2) | (2) | (2) | (2) |
| Civilian labor force..... | 9,076 | 8,374 | 8,430 | 8,677 | 8,555 | 8,527 | 8,513 | 8,368 | 8,057 |
| Employed..... | 8,412 | 7,847 | 7,770 | 8,110 | 7,949 | 7,875 | 7,873 | 7,783 | 7,501 |
| Unemployed..... | 664 | 527 | 660 | 567 | 606 | 652 | 640 | 585 | 556 |
| Unemployment rate..... | 7.3 | 6.3 | 7.8 | 6.5 | 7.1 | 7.6 | 7.5 | 7.0 | 6.9 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population..... | 6,065 | 5,958 | 5,549 | (2) | (2) | (2) | (2) | (2) | (2) |
| Civilian labor force..... | 5,298 | 4,642 | 4,775 | 4,904 | 4,808 | 4,813 | 4,843 | 4,665 | 4,408 |
| Employed..... | 4,792 | 4,260 | 4,248 | 4,512 | 4,369 | 4,332 | 4,352 | 4,244 | 4,000 |
| Unemployed..... | 506 | 382 | 527 | 392 | 439 | 481 | 491 | 421 | 408 |
| Unemployment rate..... | 9.6 | 8.2 | 11.0 | 8.0 | 9.1 | 10.0 | 10.1 | 9.0 | 9.3 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population..... | 3,971 | 3,956 | 3,856 | (2) | (2) | (2) | (2) | (2) | (2) |
| Civilian labor force..... | 3,778 | 3,732 | 3,655 | 3,773 | 3,747 | 3,714 | 3,670 | 3,703 | 3,649 |
| Employed..... | 3,620 | 3,587 | 3,522 | 3,598 | 3,580 | 3,543 | 3,521 | 3,539 | 3,501 |
| Unemployed..... | 158 | 145 | 133 | 175 | 167 | 171 | 149 | 164 | 148 |
| Unemployment rate..... | 4.2 | 3.9 | 3.6 | 4.6 | 4.5 | 4.6 | 4.1 | 4.4 | 4.1 |

¹ Vietnam era veterans are those who served after Aug. 4, 1964; they are all classified as war veterans. 80 percent of the Vietnam era veterans of all ages are 20 to 29 years old. Post-Korean-peace-time veterans 20 to 29 years old are not included in this table.

² Not applicable.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

[In thousands]

| Industry | | | | | Change from | | Seasonally adjusted | | | Change from May 1972 |
|--|------------------------|-----------------------|------------|-----------|-------------|-----------|------------------------|-----------------------|------------|-------------------------|
| | June 1972 ¹ | May 1972 ¹ | April 1972 | June 1971 | May 1972 | June 1971 | June 1972 ¹ | May 1972 ¹ | April 1972 | |
| Total | 73,274 | 72,516 | 71,928 | 71,355 | 758 | 1,919 | 72,556 | 72,540 | 72,263 | 16 |
| Goods-producing | 23,073 | 22,660 | 22,427 | 22,794 | 413 | 279 | 22,754 | 22,818 | 22,706 | -64 |
| Mining | 615 | 602 | 597 | 634 | 13 | -19 | 601 | 602 | 603 | -1 |
| Contract construction | 3,404 | 3,245 | 3,117 | 3,414 | 159 | -10 | 3,245 | 3,255 | 3,233 | -10 |
| Manufacturing | 19,054 | 18,813 | 18,713 | 18,746 | 241 | 308 | 18,908 | 18,961 | 18,870 | -53 |
| Production workers | 13,918 | 13,721 | 13,626 | 13,611 | 197 | 307 | 13,798 | 13,851 | 13,770 | -53 |
| Durable goods | 10,920 | 10,810 | 10,732 | 10,694 | 110 | 226 | 10,819 | 10,855 | 10,770 | -36 |
| Production workers | 7,940 | 7,853 | 7,781 | 7,713 | 87 | 227 | 7,852 | 7,889 | 7,815 | -37 |
| Ordnance and accessories | 192.0 | 186.3 | 183.9 | 192.7 | 5.7 | -7 | 192 | 188 | 185 | 4 |
| Lumber and wood products | 623.1 | 604.2 | 596.0 | 593.3 | 18.9 | 29.8 | 603 | 607 | 608 | -4 |
| Furniture and fixtures | 488.9 | 481.9 | 482.0 | 459.3 | 7.0 | 29.6 | 488 | 488 | 486 | 0 |
| Stone, clay, and glass products | 667.7 | 653.6 | 641.1 | 641.7 | 14.1 | 26.0 | 654 | 656 | 646 | -2 |
| Primary metal industries | 1,227.8 | 1,231.5 | 1,223.1 | 1,283.1 | -3.7 | -55.3 | 1,205 | 1,225 | 1,219 | -20 |
| Fabricated metal products | 1,386.2 | 1,366.1 | 1,355.5 | 1,343.6 | 20.1 | 42.6 | 1,375 | 1,377 | 1,365 | -2 |
| Machinery, except electrical | 1,838.8 | 1,827.7 | 1,814.2 | 1,784.6 | 11.1 | 54.2 | 1,822 | 1,826 | 1,802 | -4 |
| Electrical equipment | 1,838.6 | 1,820.7 | 1,811.3 | 1,780.6 | 17.9 | 58.0 | 1,840 | 1,839 | 1,828 | 1 |
| Transportation equipment | 1,774.7 | 1,775.0 | 1,767.6 | 1,770.7 | -3 | 4.0 | 1,762 | 1,779 | 1,764 | -17 |
| Instruments and related products | 451.6 | 444.0 | 440.6 | 430.9 | 7.6 | 20.7 | 450 | 446 | 441 | 4 |
| Miscellaneous manufacturing | 430.1 | 419.0 | 416.7 | 413.3 | 11.1 | 16.8 | 428 | 424 | 426 | 4 |

| | | | | | | | | | | |
|--|---------|---------|---------|---------|------|-------|--------|--------|--------|-----|
| Nondurable goods..... | 8,134 | 8,003 | 7,981 | 8,052 | 131 | 82 | 8,089 | 8,106 | 8,100 | -17 |
| Production workers..... | 5,978 | 5,868 | 5,845 | 5,898 | 110 | 80 | 5,946 | 5,962 | 5,955 | -16 |
| Food and kindred products..... | 1,732.4 | 1,679.6 | 1,672.0 | 1,749.3 | 52.8 | -16.9 | 1,734 | 1,744 | 1,751 | -10 |
| Tobacco manufactures..... | 65.0 | 64.7 | 66.0 | 67.9 | .3 | -2.9 | 73 | 74 | 75 | -1 |
| Textile mill products..... | 1,008.6 | 990.2 | 985.6 | 968.2 | 18.4 | 40.4 | 996 | 995 | 989 | 1 |
| Apparel and other textile products..... | 1,369.8 | 1,359.3 | 1,365.1 | 1,372.3 | 10.5 | -2.5 | 1,355 | 1,362 | 1,376 | -7 |
| Paper and allied products..... | 709.1 | 696.1 | 690.7 | 690.2 | 13.0 | 18.9 | 701 | 702 | 697 | -1 |
| Printing and publishing..... | 1,095.2 | 1,091.7 | 1,091.9 | 1,088.6 | 3.5 | 6.6 | 1,094 | 1,097 | 1,093 | -3 |
| Chemicals and allied products..... | 1,007.1 | 1,000.0 | 1,001.2 | 1,022.9 | 7.1 | -15.8 | 1,000 | 1,003 | 1,000 | -3 |
| Petroleum and coal products..... | 192.6 | 189.1 | 187.8 | 192.6 | 3.5 | 0 | 188 | 189 | 190 | -1 |
| Rubber and plastics products, n.e.c..... | 633.5 | 619.2 | 612.8 | 585.0 | 14.3 | 48.5 | 632 | 624 | 617 | 8 |
| Leather and leather products..... | 320.3 | 313.3 | 307.7 | 314.9 | 7.0 | 5.4 | 316 | 316 | 312 | 0 |
| Service-producing..... | 50,201 | 49,856 | 49,501 | 48,561 | 345 | 1,640 | 49,802 | 49,722 | 49,557 | 80 |
| Transportation and public utilities..... | 4,601 | 4,527 | 4,486 | 4,549 | 74 | 52 | 4,551 | 4,545 | 4,522 | 6 |
| Wholesale and retail trade..... | 15,710 | 15,571 | 15,460 | 15,192 | 139 | 518 | 15,651 | 15,650 | 15,647 | 1 |
| Wholesale trade..... | 3,989 | 3,917 | 3,902 | 3,860 | 72 | 129 | 3,965 | 3,961 | 3,949 | 4 |
| Retail trade..... | 11,721 | 11,654 | 11,558 | 11,332 | 67 | 389 | 11,686 | 11,689 | 11,698 | -3 |
| Finance, insurance, and real estate..... | 3,954 | 3,912 | 3,885 | 3,837 | 42 | 117 | 3,923 | 3,920 | 3,897 | 3 |
| Services..... | 12,520 | 12,404 | 12,279 | 12,050 | 116 | 470 | 12,359 | 12,306 | 12,254 | 53 |
| Government..... | 13,416 | 13,442 | 13,391 | 12,933 | -26 | 483 | 13,318 | 13,301 | 13,237 | 17 |
| Federal..... | 2,666 | 2,662 | 2,664 | 2,674 | 4 | -8 | 2,632 | 2,670 | 2,669 | -38 |
| State and local..... | 10,750 | 10,780 | 10,727 | 10,259 | -30 | 491 | 10,686 | 10,631 | 10,568 | 55 |

† Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | | | | | Change from | | Seasonally adjusted | | | Change from May 1972 |
|--|------------------------|-----------------------|------------|-----------|-------------|-----------|------------------------|-----------------------|------------|-------------------------|
| | June 1972 ² | May 1972 ² | April 1972 | June 1971 | May 1972 | June 1971 | June 1972 ² | May 1972 ² | April 1972 | |
| Total, private..... | 37.4 | 36.9 | 37.0 | 37.3 | 0.5 | 0.1 | 37.2 | 37.0 | 37.3 | 0.2 |
| Mining..... | 43.2 | 42.4 | 42.4 | 42.6 | .8 | .6 | 42.9 | 42.4 | 42.3 | .5 |
| Contract construction..... | 37.6 | 36.9 | 36.6 | 38.0 | .7 | -.4 | 36.8 | 36.7 | 36.7 | .1 |
| Manufacturing..... | 40.8 | 40.5 | 40.5 | 40.2 | .3 | .6 | 40.6 | 40.5 | 40.8 | .1 |
| Overtime hours..... | 3.4 | 3.3 | 3.3 | 3.0 | .1 | .4 | 3.3 | 3.4 | 3.6 | -.1 |
| Durable goods..... | 41.5 | 41.2 | 41.2 | 40.8 | .3 | .7 | 41.3 | 41.2 | 41.5 | .1 |
| Overtime hours..... | 3.6 | 3.4 | 3.4 | 3.0 | .2 | .6 | 3.5 | 3.5 | 3.7 | 0 |
| Ordinance and accessories..... | 42.2 | 42.2 | 42.2 | 41.8 | 0 | .4 | 42.0 | 42.2 | 42.4 | -.2 |
| Lumber and wood products..... | 41.7 | 41.2 | 41.1 | 40.9 | .5 | .8 | 41.2 | 40.8 | 41.1 | .4 |
| Furniture and fixtures..... | 41.0 | 40.2 | 40.2 | 40.1 | .8 | .9 | 40.8 | 40.6 | 40.8 | .2 |
| Stone, clay, and glass products..... | 42.7 | 41.9 | 41.9 | 42.3 | .8 | .4 | 42.4 | 41.7 | 41.9 | .7 |
| Primary metal industries..... | 41.7 | 41.6 | 41.5 | 41.3 | .1 | .4 | 41.4 | 41.5 | 41.4 | -.1 |
| Fabricated metal products..... | 41.4 | 41.1 | 40.9 | 40.9 | .3 | .5 | 41.1 | 41.1 | 41.2 | 0 |
| Machinery, except electrical..... | 42.0 | 41.7 | 41.8 | 40.7 | .3 | 1.3 | 42.0 | 41.7 | 41.8 | .3 |
| Electrical equipment..... | 40.6 | 40.3 | 40.4 | 40.1 | .3 | .5 | 40.4 | 40.4 | 40.8 | 0 |
| Transportation equipment..... | 42.2 | 42.0 | 42.0 | 41.5 | .7 | .7 | 42.1 | 41.9 | 42.9 | .2 |
| Instruments and related products..... | 41.1 | 40.5 | 40.5 | 39.8 | .6 | 1.3 | 41.0 | 40.7 | 40.7 | .3 |
| Miscellaneous manufacturing..... | 39.4 | 39.2 | 39.5 | 38.8 | .2 | .6 | 39.3 | 39.3 | 39.6 | 0 |
| Nondurable goods..... | 39.8 | 39.5 | 39.5 | 39.4 | .3 | .4 | 39.7 | 39.7 | 39.8 | 0 |
| Overtime hours..... | 3.3 | 3.1 | 3.1 | 3.1 | .2 | .2 | 3.3 | 3.2 | 3.3 | .1 |
| Food and kindered products..... | 40.7 | 40.3 | 40.0 | 40.8 | .4 | .2 | 40.6 | 40.5 | 40.7 | .1 |
| Tobacco manufactures..... | 34.8 | 33.6 | 33.1 | 36.8 | 1.2 | -.2 | 34.3 | 34.0 | 33.8 | .3 |
| Textile mill products..... | 41.4 | 41.0 | 41.3 | 41.0 | .4 | .4 | 41.2 | 41.2 | 41.7 | 0 |
| Apparel and other textile products..... | 35.9 | 35.6 | 35.9 | 35.5 | .3 | .4 | 35.8 | 35.6 | 36.0 | .2 |
| Paper and allied products..... | 43.1 | 42.6 | 42.6 | 42.3 | .5 | .8 | 43.1 | 42.7 | 43.0 | .4 |
| Printing and publishing..... | 37.8 | 37.6 | 37.8 | 37.7 | .2 | .1 | 37.8 | 37.7 | 38.0 | .1 |
| Chemicals and allied products..... | 41.6 | 41.6 | 41.9 | 41.7 | 0 | -.1 | 41.6 | 41.6 | 41.7 | 0 |
| Petroleum and coal products..... | 41.4 | 42.1 | 42.5 | 42.6 | -.7 | -.2 | 41.2 | 41.4 | 41.9 | -.2 |
| Rubber and plastics products, n.e.c..... | 41.7 | 41.1 | 41.1 | 40.7 | .6 | 1.0 | 41.7 | 41.2 | 41.5 | .5 |
| Leather and leather products..... | 39.4 | 38.7 | 38.0 | 38.1 | .7 | 1.3 | 38.8 | 38.7 | 39.1 | .1 |
| Transportation and public utilities..... | 40.8 | 40.0 | 39.9 | 40.8 | .8 | 0 | 40.7 | 40.2 | 40.3 | .5 |
| Wholesale and retail trade..... | 35.6 | 34.8 | 34.8 | 35.4 | .8 | .2 | 35.4 | 35.1 | 35.2 | .3 |
| Wholesale trade..... | 40.0 | 39.8 | 39.8 | 40.0 | .2 | 0 | 39.9 | 40.0 | 40.0 | -.1 |
| Retail trade..... | 34.2 | 33.3 | 33.3 | 34.0 | .9 | .2 | 33.9 | 33.7 | 33.7 | .2 |
| Finance, insurance, and real estate..... | 37.1 | 37.0 | 37.3 | 37.0 | .1 | .1 | 37.1 | 37.1 | 37.3 | 0 |
| Services..... | 34.3 | 33.8 | 34.0 | 34.2 | .5 | .1 | 34.2 | 34.0 | 34.1 | .2 |

¹ Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately 2/3 of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|--|-------------------------|-----------------------|-----------|-----------|-------------|-----------|-------------------------|-----------------------|-----------|-----------|-------------|-----------|
| | June 1972 ² | May 1972 ² | Apr. 1972 | June 1971 | Change from | | June 1972 ² | May 1972 ² | Apr. 1972 | June 1971 | Change from | |
| | | | | | May 1972 | June 1971 | | | | | May 1972 | June 1971 |
| Total private..... | \$3.62 | \$3.61 | \$3.60 | \$3.42 | \$0.01 | \$0.20 | \$135.39 | \$133.21 | \$133.20 | \$127.57 | \$2.18 | \$7.82 |
| Seasonally adjusted..... | 3.62 | 3.61 | 3.61 | 3.42 | .01 | .20 | 134.66 | 133.57 | 134.65 | 126.88 | 1.09 | 7.78 |
| Mining..... | 4.34 | 4.33 | 4.35 | 4.04 | .01 | .30 | 187.49 | 183.59 | 184.44 | 172.10 | 3.90 | 15.39 |
| Contract construction..... | 5.96 | 6.03 | 5.99 | 5.63 | -.07 | .33 | 224.10 | 222.51 | 219.23 | 213.94 | 1.59 | 10.16 |
| Manufacturing..... | 3.79 | 3.78 | 3.77 | 3.57 | .01 | .22 | 154.63 | 153.09 | 152.69 | 143.51 | 1.54 | 11.12 |
| Durable goods..... | 4.04 | 4.03 | 4.02 | 3.80 | .01 | .24 | 167.66 | 166.04 | 165.62 | 155.04 | 1.62 | 12.62 |
| Ordnance and accessories..... | 4.08 | 4.08 | 4.06 | 3.85 | 0 | .23 | 172.18 | 172.18 | 171.33 | 160.93 | 0 | 11.25 |
| Lumber and wood products..... | 3.32 | 3.29 | 3.25 | 3.17 | .03 | .15 | 138.44 | 135.55 | 133.58 | 129.65 | 2.89 | 8.79 |
| Furniture and fixtures..... | 3.05 | 3.03 | 3.03 | 2.90 | .02 | .15 | 125.05 | 121.81 | 121.81 | 116.29 | 3.24 | 8.76 |
| Stone, clay, and glass products..... | 3.90 | 3.87 | 3.84 | 3.67 | .03 | .23 | 166.53 | 162.15 | 160.90 | 155.24 | 4.38 | 11.29 |
| Primary metal industries..... | 4.64 | 4.62 | 4.60 | 4.21 | .02 | .43 | 193.49 | 192.19 | 190.90 | 173.87 | 1.30 | 19.62 |
| Fabricated metal products..... | 3.97 | 3.96 | 3.95 | 3.75 | .01 | .22 | 164.36 | 162.76 | 161.56 | 153.38 | 1.60 | 10.98 |
| Machinery, except electrical..... | 4.25 | 4.24 | 4.23 | 3.99 | .01 | .26 | 178.50 | 176.81 | 176.81 | 162.39 | 1.69 | 16.11 |
| Electrical equipment..... | 3.66 | 3.65 | 3.64 | 3.49 | .01 | .17 | 148.60 | 147.10 | 147.06 | 139.95 | 1.50 | 8.65 |
| Transportation equipment..... | 4.75 | 4.74 | 4.72 | 4.43 | .01 | .32 | 200.45 | 199.08 | 198.24 | 183.85 | 1.37 | 16.60 |
| Instruments and related products..... | 3.76 | 3.72 | 3.71 | 3.52 | .04 | .24 | 154.54 | 150.66 | 150.26 | 140.10 | 3.88 | 14.44 |
| Miscellaneous manufacturing..... | 3.09 | 3.08 | 3.08 | 2.95 | .01 | .14 | 121.75 | 120.74 | 121.66 | 114.46 | 1.01 | 7.29 |
| Nondurable goods..... | 3.45 | 3.44 | 3.43 | 3.26 | .01 | .19 | 137.31 | 135.88 | 135.49 | 128.44 | 1.43 | 8.87 |
| Food and kindred products..... | 3.60 | 3.60 | 3.59 | 3.38 | 0 | .22 | 146.52 | 145.08 | 143.60 | 136.89 | 1.44 | 9.63 |
| Tobacco manufactures..... | 3.51 | 3.47 | 3.45 | 3.30 | .04 | .21 | 122.15 | 116.59 | 114.20 | 121.44 | 5.56 | .71 |
| Textile mill products..... | 2.72 | 2.72 | 2.72 | 2.56 | 0 | .16 | 112.61 | 111.52 | 112.34 | 104.96 | 1.09 | 7.65 |
| Apparel and other textile products..... | 2.59 | 2.58 | 2.58 | 2.47 | .01 | .12 | 92.98 | 91.85 | 92.62 | 87.69 | 1.13 | 5.29 |
| Paper and allied products..... | 3.92 | 3.88 | 3.86 | 3.67 | .04 | .25 | 168.95 | 165.29 | 164.44 | 155.24 | 3.66 | 13.71 |
| Printing and publishing..... | 4.47 | 4.46 | 4.43 | 4.20 | .01 | .27 | 168.97 | 167.70 | 167.45 | 158.34 | 1.27 | 10.63 |
| Chemicals and allied products..... | 4.19 | 4.15 | 4.13 | 3.94 | .04 | .25 | 174.30 | 172.64 | 173.05 | 164.30 | 1.66 | 10.00 |
| Petroleum and coal products..... | 4.87 | 4.93 | 4.94 | 4.58 | -.06 | .29 | 201.62 | 207.55 | 209.95 | 195.11 | -5.93 | 6.51 |
| Rubber and plastics products, nec..... | 3.58 | 3.57 | 3.56 | 3.38 | .01 | .20 | 149.29 | 146.73 | 146.32 | 137.57 | 2.56 | 11.72 |
| Leather and leather products..... | 2.70 | 2.70 | 2.69 | 2.58 | 0 | .12 | 106.38 | 104.49 | 102.22 | 98.30 | 1.89 | 8.08 |
| Transportation and public utilities..... | 4.59 | 4.58 | 4.56 | 4.15 | .01 | .44 | 187.27 | 183.20 | 181.94 | 169.32 | 4.07 | 17.54 |
| Wholesale and retail trade..... | 3.00 | 3.00 | 3.00 | 2.87 | 0 | .13 | 106.80 | 104.40 | 104.40 | 101.60 | 2.40 | 5.20 |
| Wholesale trade..... | 3.85 | 3.85 | 3.86 | 3.66 | 0 | .19 | 154.00 | 153.23 | 153.63 | 146.40 | .77 | 7.60 |
| Retail trade..... | 2.69 | 2.68 | 2.68 | 2.58 | .01 | .11 | 92.00 | 89.24 | 89.24 | 87.72 | 2.76 | 4.28 |
| Finance, insurance, and real estate..... | 3.42 | 3.44 | 3.45 | 3.28 | -.02 | .14 | 126.88 | 127.28 | 128.69 | 121.36 | -.40 | 5.52 |
| Services..... | 3.12 | 3.13 | 3.13 | 2.97 | -.01 | .15 | 107.02 | 105.79 | 106.42 | 101.57 | 1.23 | 5.45 |

¹ See footnote 1, table B-2. ² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED

[1967=100]

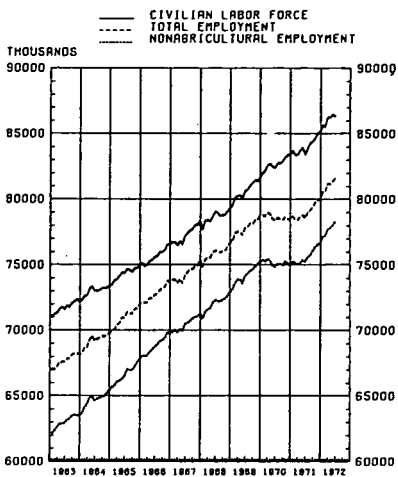
| Industry | June 1972 ¹ | May 1972 ¹ | April 1972 | March 1972 | February 1972 | January 1972 | June 1971 | Percent change over month and year | |
|--|------------------------|-----------------------|------------|------------|---------------|--------------|-----------|------------------------------------|------------------------|
| | | | | | | | | May 1972 to June 1972 | June 1971 to June 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 137.0 | 136.8 | 136.6 | 135.5 | 134.7 | 134.5 | 129.3 | 0.2 | 5.9 |
| Constant (1967) dollars..... | (²) | 109.7 | 109.9 | 107.2 | 108.6 | 109.0 | 106.6 | (³) | (⁴) |
| Mining..... | 136.2 | 135.1 | 135.5 | 134.6 | 134.0 | 134.1 | 126.6 | .8 | 7.6 |
| Contract construction..... | 146.1 | 146.4 | 145.9 | 145.0 | 144.2 | 144.1 | 138.1 | -.2 | 5.8 |
| Manufacturing..... | 135.3 | 134.7 | 134.0 | 133.4 | 132.8 | 132.3 | 127.5 | .4 | 6.1 |
| Transportation and public utilities..... | 142.1 | 142.3 | 141.8 | 140.0 | 138.1 | 137.6 | 128.6 | -.2 | 10.5 |
| Wholesale and retail trade..... | 134.2 | 133.7 | 134.1 | 133.0 | 132.3 | 132.6 | 128.1 | .3 | 4.7 |
| Finance, insurance, and real estate..... | 132.8 | 132.6 | 133.5 | 131.0 | 130.0 | 130.8 | 127.1 | .2 | 4.5 |
| Services..... | 136.2 | 136.5 | 136.7 | 135.4 | 134.8 | 134.8 | 130.1 | -.2 | 4.7 |

¹ Preliminary.² Indicates data are not available.³ Percent change was -0.2 from April 1972 to May 1972, the latest month available.⁴ Percent change was 2.6 from May 1971 to May 1972, the latest month available.

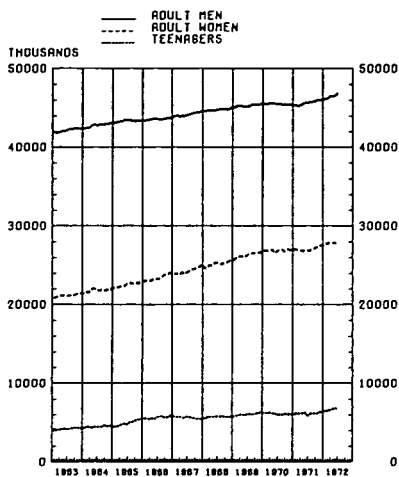
Note: All series are in current dollars except where indicated. The index excludes effects of 2 types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT HOUSEHOLD DATA - SEASONALLY ADJUSTED

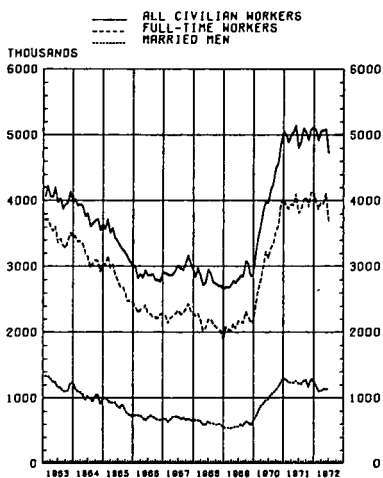
1. LABOR FORCE AND EMPLOYMENT



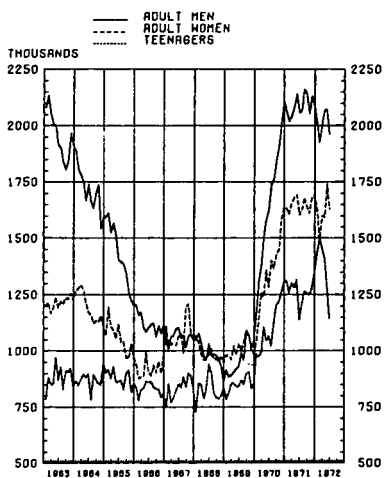
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

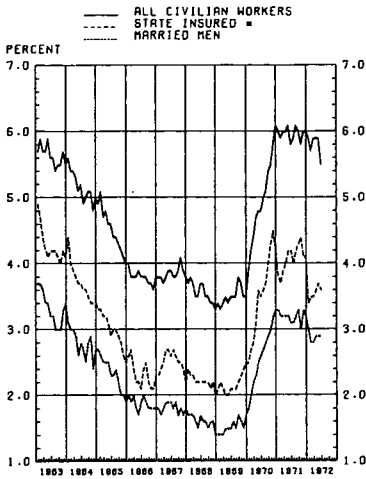


4. UNEMPLOYMENT

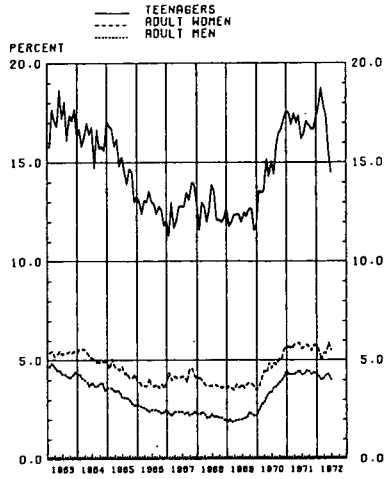


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

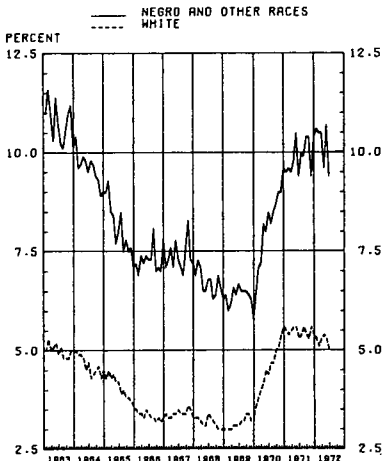
5. UNEMPLOYMENT RATES



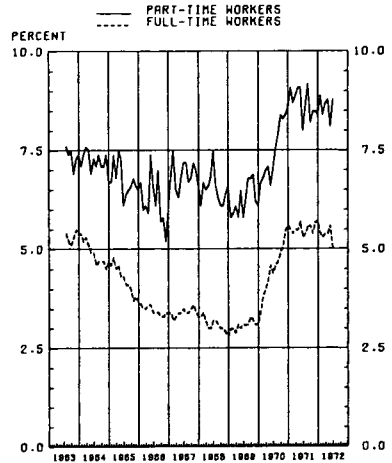
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



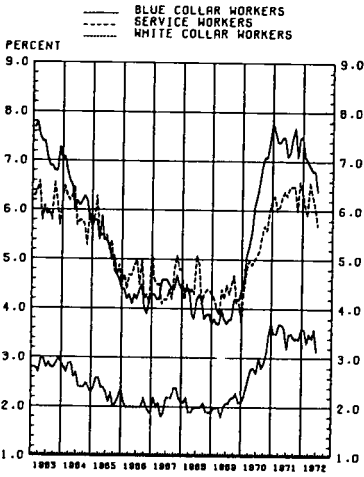
8. UNEMPLOYMENT RATES



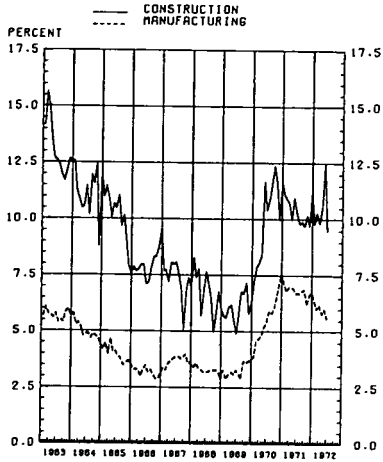
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

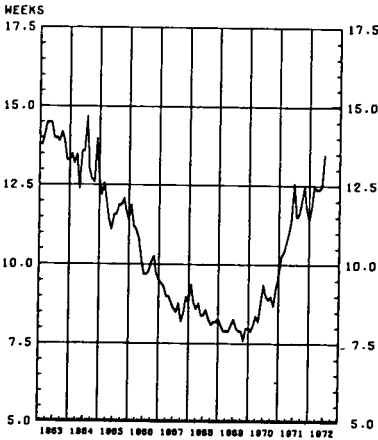
9. UNEMPLOYMENT RATES



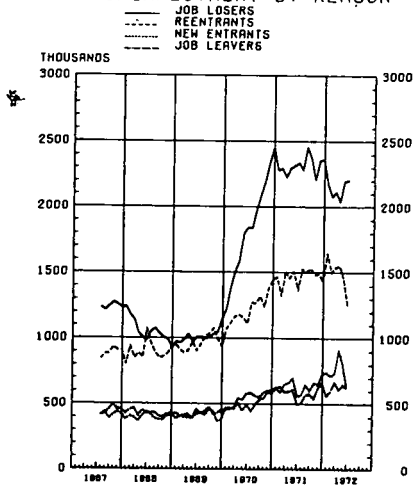
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT

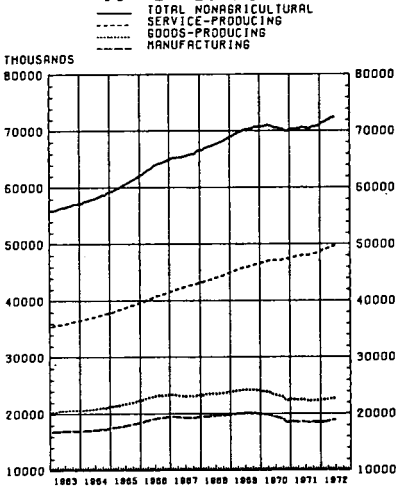


12. UNEMPLOYMENT BY REASON

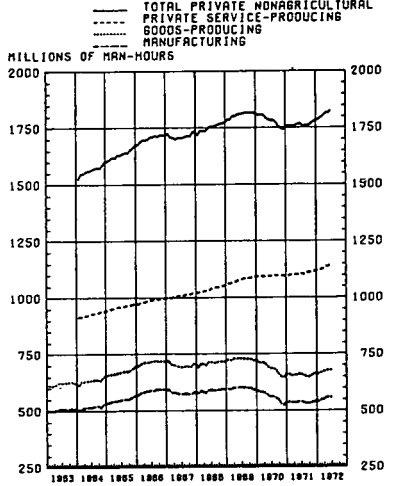


NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

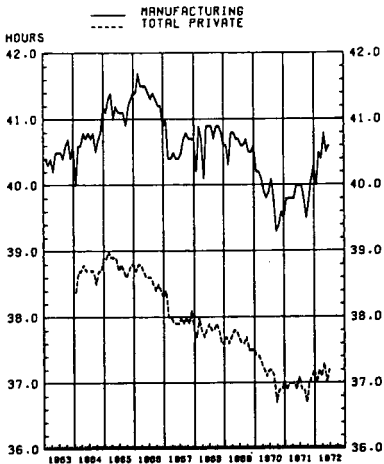
13. EMPLOYMENT



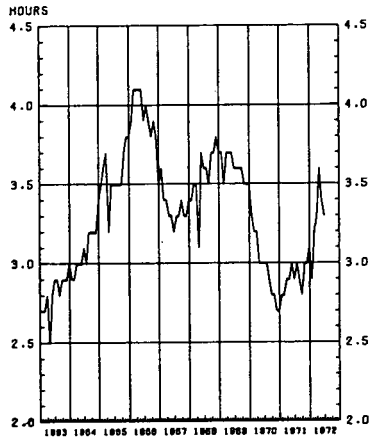
14. MAN-HOURS



15. AVERAGE WEEKLY HOURS



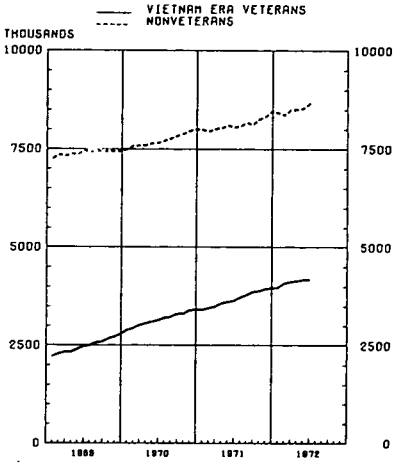
16. AVERAGE WEEKLY OVERTIME HOURS
IN MANUFACTURING



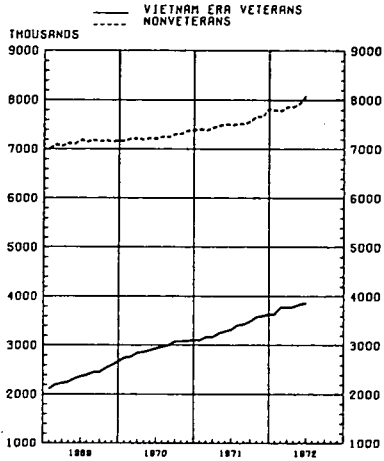
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS, 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

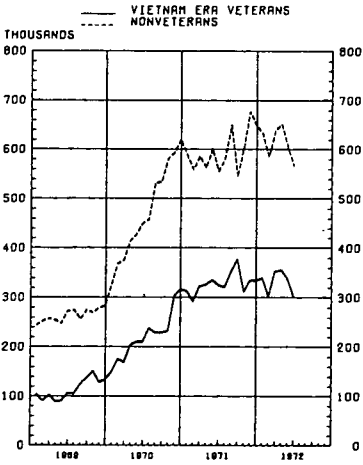
17. CIVILIAN LABOR FORCE



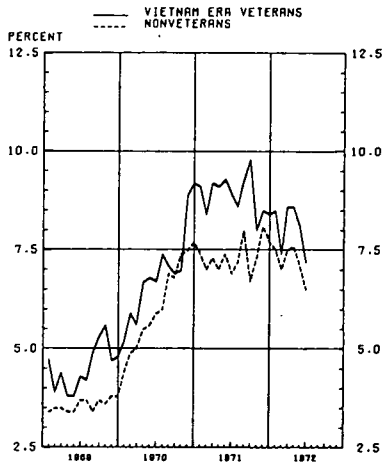
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-454, July 7, 1972]

WHOLESALE PRICE INDEX: JUNE 1972

The Wholesale Price Index of All Commodities rose 0.5 percent between May and June, the U.S. Department of Labor's Bureau of Labor Statistics announced today.

Industrial commodities increased 0.3 percent.

Prices of farm products and processed foods and feeds advanced 1.1 percent.

Consumer finished goods, a selection of commodities closely comparable to those in the commodity component of the Consumer Price Index, were up 0.5 percent.

Of the 15 major commodity groups measured by the Wholesale Price Index, 12 advanced between May and June, two declined, and one showed no change.

In June, the All Commodities WPI was 118.8 (1967=100), 3.9 percent above a year earlier.

Seasonally adjusted changes

On a seasonally adjusted basis, the Wholesale Price Index also rose 0.5 percent in June.

Industrial commodities were up 0.4 percent.

Farm products and processed foods and feeds advanced 0.5 percent.

Consumer finished goods were 0.3 percent higher.

For changes over 3-, 6-, and 12-month spans see Table 2.

In the calendar quarter ending in June, the WPI rose at a seasonally adjusted annual rate of 4.9 percent, the same rate as in the preceding 3 months ending in March. Industrial commodities advanced at an annual rate of 4.9 percent in the 3 months ending in June, compared with 4.2 percent in the period from December to March. The index for farm products and processed foods and feeds moved up at an annual rate of 4.8 percent from March to June following an advance at a rate of 7.0 percent in the preceding 3 months. For consumer finished goods, the annual rate in the March-to-June period was 2.5 percent compared with a 2.8 percent rate for the 3 months from December to March.

Comparative rates of change in the WPI before and during the Economic Stabilization Program that began last August are as follows:

| | 8 months prior to phase I, December 1970, to August 1971 | 3 months, phase I, August 1971, to November 1971 | 7 months, phase II, November 1971, to June 1972 | 10 months, phases I and II, August 1971, to June 1972 |
|--|---|---|---|---|
| All commodities..... | 5.2 | -0.2 | 5.3 | 3.6 |
| Industrial commodities..... | 4.7 | -0.5 | 4.4 | 2.8 |
| Farm products, processed foods, and feeds..... | 6.5 | 1.1 | 7.6 | 5.6 |
| Consumer finished goods..... | 4.1 | -1.1 | 3.8 | 2.3 |

Among consumer finished goods, foods advanced 0.5 percent in June (seasonally adjusted), chiefly because of higher prices for meats and processed poultry. Consumer nonfood finished goods increased 0.2 percent over the month. Within this grouping, nondurable finished goods were up 0.1 percent due to higher prices for products such as gasoline, footwear, and textile products. A 0.2 percent advance for durables chiefly reflected increases for tires and tubes, furniture, and that portion of lumber and wood products purchased by consumers.

Producer finished goods moved up 0.3 percent in large part because of advances for machinery and equipment. Further rises for lumber and textile products caused most of the 0.6 percent gain for processed (intermediate) materials, supplies, and components (excluding foods and feeds). The index for crude materials for further processing (excluding foods, feeds, and fibers) rose 0.5 percent chiefly as a result of increases for hides and skins and wastepaper.

Price changes for commodity groups, not seasonally adjusted

Fuels had the greatest influence on the overall industrials index in June, accounting for almost one-fourth of the total rise. Higher gasoline prices were responsible for most of the advance in fuels; electric power, middle distillate, and residual fuels also showed gains but natural gas was lower. Lumber and wood products continued to rise; softwood lumber registered the most important increase but advances were widespread among other products. Prices were higher for motor vehicle parts. Machinery and equipment moved up at a somewhat slower rate than in May. The index for textile products and apparel chiefly reflected gains for cotton, manmade fiber, and wool textile; apparel was up moderately but prices of jute woven goods weakened. Cattlehide quotations continued to climb and leather was higher; prices of footwear and other leather goods reflected the higher costs of materials. Converted paper and paperboard products, wastepaper, paper and paperboard moved up in price. Among household durables, increases for dinnerware and furniture slightly outweighed declines for major appliances, television receivers, and glassware. A slight advance in the rubber and plastic products index reflected higher prices for tires and tubes which were partially offset by decreases for several plastic items. The chemicals index edged down slightly as a result of weakness for plastic resins and some miscellaneous chemical products, although drugs, paint materials, and fertilizers were higher. Decreases for flat glass and insulation materials caused the first decline in nonmetallic mineral products since November of last year. The metals index remained unchanged after rising for 5 months in succession.

A 4.7 percent increase for livestock caused most of the advance for farm products; cattle prices were the major influence. Live poultry and fresh and dried vegetables also were higher while grains, raw cotton, fluid milk and fresh fruits declined. The processed foods and feeds index moved up almost entirely because of higher prices for meats and processed poultry (up 4.1 and 5.3 percent respectively). The principal declines were for dairy products, animal feeds, and fish.

Effect of items identified as exempt from post-freeze controls

When the effect of price changes for domestic raw agricultural products and imports, which have been exempt from post-freeze controls, is eliminated, the WPI for June on a seasonally unadjusted basis shows an increase of 0.3 percent in contrast to the 0.5 percent for the overall index. After similar exclusions are made from the farm products and processed foods and feeds component, this component of the index registers an increase of 0.5 percent compared with 1.1 percent before the exclusion.

Following elimination of imported items from the industrials component, it still shows a rise of 0.3 percent because the net impact of price movements for these items was negligible. The increase of 0.5 percent for consumer finished goods also remained unchanged after elimination of the effect of price changes for items exempt from post-freeze controls.

A Note on Seasonally Adjusted and Unadjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred since they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and supply cycles, model changeovers, seasonal discounts and holidays. Seasonally adjusted data are subject to revision when seasonal factors are revised.

The unadjusted data are of principal interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

TABLE 1.—WHOLESALE PRICE INDEXES FOR MAJOR COMMODITY GROUPS AND SPECIAL GROUPINGS, JUNE 1972

| | Relative importance ¹ | Unadjusted indexes (1967=100 unless otherwise noted) | | Unadjusted percent change to June 1972 from— | | Seasonally adjusted percent change between— | | | |
|---|----------------------------------|--|-----------|--|----------|---|---------------|----------------|------------------|
| | | December 1971 | June 1972 | May 1972 | May 1972 | June 1971 | May-June 1972 | April-May 1972 | March-April 1972 |
| All commodities..... | 100,000 | 118.8 | 118.2 | 0.5 | 3.9 | 0.5 | 0.5 | 0.3 | |
| All commodities (1957-59=100)..... | | 126.0 | 125.4 | | | | | | |
| COMMODITY GROUPS | | | | | | | | | |
| Farm products, and processed foods and feeds..... | 26.838 | 121.3 | 120.0 | 1.1 | 5.1 | .5 | .8 | -.1 | |
| Farm products..... | 10.432 | 124.0 | 122.2 | 1.5 | 6.9 | 1.0 | 1.3 | .6 | |
| Processed foods and feeds..... | 16.405 | 119.6 | 118.6 | .8 | 4.1 | .3 | .3 | -.5 | |
| Industrial commodities..... | 73.162 | 117.9 | 117.6 | .3 | 3.5 | .4 | .4 | .4 | |
| Textile products and apparel..... | 6.849 | 113.6 | 113.3 | .3 | 4.7 | .1 | .7 | .5 | |
| Hides, skins, leather and related products..... | 1.254 | 130.9 | 129.5 | 1.1 | 14.6 | 1.6 | 2.0 | 2.4 | |
| Fuels and related products and power..... | 7.174 | 118.2 | 117.5 | .6 | 3.3 | .3 | .4 | .2 | |
| Chemicals and allied products..... | 5.716 | 104.3 | 104.4 | -.1 | -.1 | 0 | .3 | .8 | |
| Rubber and plastic products ² | 2.257 | 108.9 | 108.8 | .1 | | | | .7 | |
| Lumber and wood products..... | 2.854 | 144.2 | 147.7 | 1.1 | 14.4 | 2.6 | 1.7 | .4 | |
| Pulp, paper and allied products..... | 4.705 | 113.5 | 113.2 | .3 | 3.0 | .4 | .4 | .4 | |
| Metals and metal products..... | 13.439 | 123.6 | 123.6 | 0 | 4.3 | .2 | .1 | 0 | |
| Machinery and equipment..... | 12.280 | 118.1 | 117.9 | .2 | 2.3 | .3 | .3 | .3 | |
| Furniture and household durables..... | 3.438 | 111.2 | 111.1 | .1 | 1.3 | .3 | .1 | .2 | |
| Nonmetallic mineral products..... | 3.296 | 125.8 | 125.9 | -.1 | 2.9 | .2 | .4 | .6 | |
| Transportation equipment (December 1968=100) ³ | 7.416 | 114.2 | 113.8 | .4 | 3.8 | | | | |
| Miscellaneous products ² | 2.486 | 114.2 | 114.1 | .1 | 1.4 | | | | |
| SPECIAL GROUPINGS | | | | | | | | | |
| Consumer finished goods..... | 33.270 | 116.1 | 115.5 | .5 | 2.7 | .3 | .3 | 0 | |
| Foods..... | 13.059 | 120.7 | 119.5 | 1.0 | 3.7 | .5 | .5 | -.3 | |
| Finished goods, excluding foods..... | 20.211 | 113.4 | 113.1 | .3 | 2.2 | .2 | .2 | .3 | |
| Nondurable..... | 12.383 | 113.5 | 113.1 | .4 | 2.1 | .1 | .3 | .4 | |
| Durable..... | 7.828 | 113.2 | 113.1 | .1 | 2.3 | .2 | 0 | .4 | |
| Producer finished goods..... | 10.201 | 119.6 | 119.4 | .2 | 2.7 | .3 | .2 | .4 | |
| Manufactured goods..... | 83.270 | 117.8 | 117.4 | .3 | 3.5 | .3 | .4 | .3 | |
| Durable..... | 43.242 | 121.3 | 121.0 | .2 | 3.9 | .4 | .4 | .3 | |
| Intermediate materials, supplies, and components, excluding selected items ³ | 41.355 | 119.0 | 118.6 | .3 | 4.3 | .6 | .5 | .5 | |
| Crude materials for further processing, excluding selected items ⁴ | 2.814 | 129.8 | 129.9 | -.1 | 5.7 | .5 | 1.2 | -.8 | |

¹ Comprehensive relative importance figures are computed once each year in December.

² Not seasonally adjusted.

³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.

⁴ Excludes crude foodstuffs, and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

TABLE 2.—PERCENT CHANGES IN WPI AND COMPONENTS. JUNE 1972

| Month | All commodities | | | | | Industrial commodities | | | | |
|--------------|---|---------------------|------------------------------------|------------------------------------|----------------------------|------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rate from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| June 1971 | 0.4 | 0.4 | 4.7 | 5.0 | 3.6 | 0.2 | 0.3 | 5.1 | 4.0 | 3.7 |
| July | .3 | .2 | 3.6 | 4.3 | 3.3 | .5 | .6 | 5.7 | 4.6 | 4.4 |
| August | .3 | .7 | 5.4 | 4.7 | 4.0 | .5 | .5 | 6.0 | 5.4 | 4.2 |
| September | -.3 | -.3 | 2.5 | 3.6 | 3.2 | -.1 | -.1 | 4.4 | 4.7 | 4.3 |
| October | -.1 | .1 | 2.3 | 3.0 | 3.1 | 0 | -.2 | 1.3 | 3.4 | 3.1 |
| November | .1 | .1 | -.2 | 2.6 | 3.2 | -.1 | .1 | -.5 | 2.7 | 3.2 |
| December | .8 | .6 | 3.5 | 3.0 | 4.0 | .3 | .2 | .6 | 2.5 | 3.2 |
| January 1972 | .8 | .5 | 5.1 | 3.7 | 4.0 | .5 | .4 | 2.8 | 2.0 | 3.3 |
| February | .9 | .5 | 6.9 | 3.3 | 4.0 | .5 | .4 | 4.0 | 1.7 | 3.6 |
| March | .1 | .1 | 4.9 | 4.2 | 3.9 | .3 | .3 | 4.2 | 2.4 | 3.5 |
| April | .1 | .3 | 3.8 | 4.5 | 3.7 | .4 | .4 | 4.5 | 3.6 | 3.5 |
| May | .6 | .5 | 3.4 | 5.2 | 3.9 | .3 | .4 | 4.3 | 4.1 | 3.4 |
| June | .5 | .5 | 4.9 | 4.9 | 3.9 | .3 | .4 | 4.9 | 4.5 | 3.5 |
| | | | | | | | | | | |
| Month | Farm products and processed foods and feeds | | | | | Consumer foods | | | | |
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rate from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| June 1971 | 1.0 | 0.4 | 4.3 | 7.6 | 3.3 | 0.7 | 0.2 | 4.6 | 8.1 | 2.6 |
| July | -.3 | -.7 | -.7 | 4.4 | 1.4 | -.7 | -.5 | -.4.4 | 3.2 | .5 |
| August | -.3 | 1.2 | 3.6 | 3.0 | 3.1 | .4 | 2.0 | 2.8 | 4.6 | 3.1 |
| September | -1.4 | -1.2 | -2.8 | .7 | .4 | -1.0 | -1.8 | -5.1 | -.3 | .6 |
| October | 0 | 1.1 | 4.7 | 1.9 | 2.4 | .1 | 2.1 | 9.4 | 2.3 | 3.3 |
| November | .5 | .3 | 1.1 | 2.3 | 3.4 | .6 | -.2 | .3 | 1.6 | 3.3 |
| December | 2.0 | 1.4 | 12.2 | 4.4 | 6.0 | 1.7 | 1.5 | 14.4 | 4.2 | 6.0 |
| January 1972 | 1.3 | .9 | 10.9 | 7.7 | 6.1 | .8 | .4 | 7.0 | 8.2 | 5.7 |
| February | 1.9 | 1.2 | 14.7 | 7.6 | 5.3 | 1.6 | 1.5 | 14.5 | 7.2 | 5.9 |
| March | -.4 | -.3 | 7.0 | 9.6 | 5.0 | -1.0 | -1.0 | 3.8 | 8.9 | 4.2 |
| April | -.7 | -.1 | 3.1 | 6.9 | 4.4 | -1.2 | -.3 | .7 | 3.8 | 3.1 |
| May | 1.4 | .8 | 1.4 | 7.8 | 5.0 | 1.3 | .5 | -3.3 | 5.2 | 3.4 |
| June | 1.1 | .5 | 4.8 | 5.9 | 5.1 | 1.0 | .5 | 2.7 | 3.2 | 3.7 |

TABLE 2.—PERCENT CHANGES IN WPI AND COMPONENTS, SEPTEMBER 1972—Continued

| Month | Consumer finished goods, total | | | | | Consumer goods, excluding foods | | | | |
|-------------------|--------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|---------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| June 1971..... | 0.4 | 0.1 | 2.9 | 4.0 | 3.2 | 0.1 | 0 | 1.5 | 1.8 | 3.4 |
| July..... | -.1 | -.4 | .4 | 2.2 | 2.4 | .4 | .4 | 2.9 | 1.5 | 3.6 |
| August..... | .3 | 1.1 | 3.2 | 3.2 | 3.5 | .1 | .2 | 2.2 | 1.6 | 3.5 |
| September..... | -.5 | -.8 | -.4 | 1.3 | 2.1 | -.2 | 0 | 2.2 | 1.8 | 3.1 |
| October..... | .2 | .4 | 2.9 | 1.6 | 2.5 | .3 | -.2 | 0 | 1.5 | 2.0 |
| November..... | .2 | .1 | -1.1 | 2.7 | 3.3 | 0 | .1 | -.4 | .9 | 1.8 |
| December..... | 1.0 | .9 | 5.8 | 4.0 | 3.1 | .4 | .4 | 1.1 | 1.6 | 1.7 |
| January 1972..... | .4 | .3 | 5.0 | 4.0 | 3.1 | .2 | .3 | 2.9 | 1.4 | 1.4 |
| February..... | .8 | .7 | 7.6 | 3.2 | 3.2 | .2 | .2 | 3.3 | 1.4 | 1.5 |
| March..... | -.3 | -.3 | 2.8 | 4.3 | 2.8 | .2 | .3 | 2.9 | 2.0 | 1.9 |
| April..... | -.3 | 0 | 1.8 | 3.4 | 2.5 | .2 | .3 | 2.9 | 2.9 | 2.2 |
| May..... | .6 | .3 | .3 | 3.9 | 2.5 | .2 | .2 | 2.9 | 3.1 | 2.0 |
| June..... | .5 | .3 | 2.5 | 2.6 | 2.7 | .3 | .2 | 2.5 | 2.7 | 2.2 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, JUNE 1972

[1967=100 unless otherwise indicated]

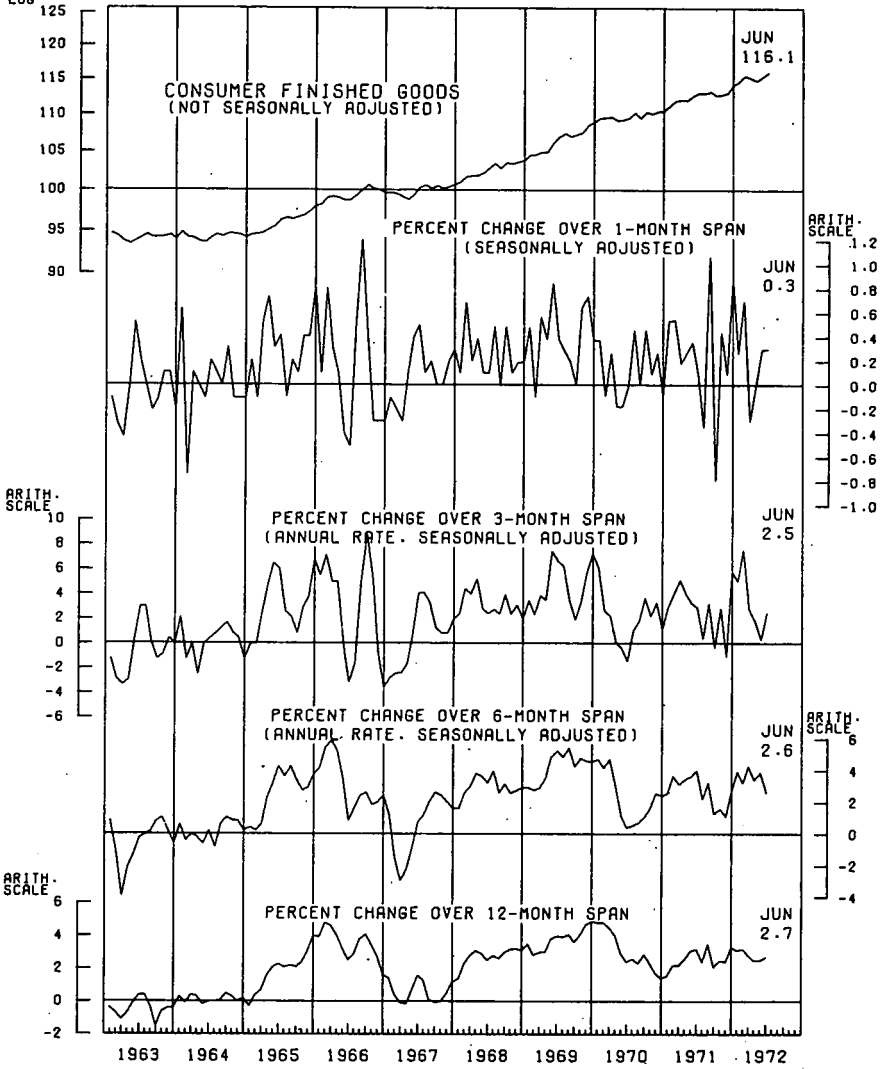
| | Indexes | | | Percent change to June 1972 from— | |
|--|---------|-------|-------|-----------------------------------|------------|
| | 1972 | | 1971 | 1 month ago | 1 year ago |
| | June | May | June | | |
| Farm products..... | 124.0 | 122.2 | 116.0 | 1.5 | 6.9 |
| Fresh and dried fruits and vegetables..... | 121.7 | 120.6 | 136.1 | .9 | -10.6 |
| Grains..... | 94.5 | 97.5 | 109.4 | -3.1 | -13.6 |
| Livestock..... | 146.4 | 139.8 | 118.9 | 4.7 | 23.1 |
| Live poultry..... | 102.9 | 96.3 | 108.1 | 6.9 | -4.8 |
| Plant and animal fibers..... | 127.3 | 130.1 | 92.3 | -2.2 | 37.9 |
| Fluid milk..... | 121.7 | 122.5 | 119.1 | -1.4 | 2.2 |
| Eggs..... | 91.9 | 90.6 | 98.0 | 1.4 | -6.2 |
| Hay, haysseeds, and oilseeds..... | 116.9 | 116.9 | 109.9 | 0 | 6.4 |
| Other farm products..... | 119.9 | 119.5 | 113.7 | .3 | 5.5 |
| Processed foods and feeds..... | 119.6 | 118.6 | 113.7 | .8 | 4.1 |
| Cereal and bakery products..... | 113.3 | 113.3 | 111.5 | 0 | 1.6 |
| Meats, poultry, and fish..... | 131.4 | 126.8 | 116.7 | 3.6 | 12.6 |
| Dairy products..... | 115.3 | 117.4 | 116.1 | -1.8 | -7 |
| Processed fruits and vegetables..... | 119.5 | 119.0 | 115.4 | .4 | 3.6 |
| Sugar and confectionery..... | 121.3 | 120.8 | 119.0 | .5 | 1.8 |
| Beverages and beverage materials..... | 117.8 | 117.2 | 115.7 | .5 | 1.5 |
| Animal fats and oils..... | 125.8 | 127.3 | 129.9 | -1.2 | -11.9 |
| Crude vegetable oils..... | 112.0 | 112.8 | 127.2 | -7 | -9.5 |
| Refined vegetable oils..... | 119.1 | 119.6 | 131.6 | -4 | 2.5 |
| Vegetable oil end products..... | 121.5 | 120.7 | 118.5 | -7 | .4 |
| Miscellaneous processed foods..... | 114.4 | 115.0 | 113.9 | -5 | .4 |
| Manufactured animal feeds..... | 107.7 | 108.4 | 107.4 | -6 | 4.7 |
| Tectile products and apparel..... | 113.6 | 113.3 | 108.5 | .3 | 10.6 |
| Cotton products..... | 122.6 | 121.5 | 110.9 | .9 | 6.2 |
| Wool products..... | 99.2 | 98.3 | 93.4 | .6 | 7.1 |
| Manmade fiber textile products..... | 108.6 | 108.0 | 101.4 | .1 | 1.9 |
| Apparel..... | 114.4 | 114.3 | 112.3 | .2 | 4.8 |
| Textile housefurnishings..... | 109.5 | 109.3 | 104.5 | -3.1 | 6.0 |
| Miscellaneous textile products..... | 125.8 | 129.8 | 118.7 | 1.1 | 14.6 |
| Hides, skins, leather, and related products..... | 130.9 | 129.5 | 114.2 | 1.9 | 79.0 |
| Hides and skins..... | 204.1 | 200.3 | 114.0 | .6 | 21.2 |
| Leather..... | 138.6 | 137.8 | 114.4 | 1.0 | 7.7 |
| Footwear..... | 125.8 | 124.6 | 116.8 | 1.2 | 7.9 |
| Other leather and related products..... | 116.7 | 115.3 | 108.2 | .6 | 3.3 |
| Fuels and related products and power..... | 118.2 | 117.5 | 114.4 | 0 | 4.8 |
| Coal..... | 191.2 | 191.2 | 182.5 | 0 | 3.2 |
| Coke..... | 155.3 | 155.3 | 150.5 | -1 | 5.0 |
| Gas fuels..... | 112.9 | 113.0 | 107.5 | .2 | 7.5 |
| Electric power..... | 121.5 | 121.2 | 113.0 | 0 | 0 |
| Crude petroleum..... | 113.2 | 113.2 | 113.2 | 1.1 | 1.0 |
| Petroleum products, refined..... | 108.5 | 107.3 | 107.4 | -1 | -1 |
| Chemicals and allied products..... | 104.3 | 104.4 | 104.4 | 0 | -8 |
| Industrial chemicals..... | 101.4 | 101.4 | 102.2 | 0 | 2.1 |
| Prepared paint..... | 118.3 | 118.3 | 115.9 | .4 | 4.5 |
| Paint materials..... | 103.9 | 103.5 | 99.4 | .3 | 1.8 |
| Drugs and pharmaceuticals..... | 103.1 | 102.8 | 102.3 | -1 | -12.2 |
| Fats and oils, inedible..... | 115.9 | 116.0 | 132.0 | .2 | -1.9 |
| Agricultural chemicals and chemical products..... | 92.3 | 92.1 | 94.1 | -8 | -2 |
| Plastic resins and materials..... | 87.9 | 88.6 | 88.1 | -3 | 1.2 |
| Other chemicals and allied products..... | 113.8 | 114.1 | 112.5 | .1 | 2 |
| Rubber and plastic products..... | 108.9 | 108.8 | 108.7 | .3 | 1.1 |
| Rubber and rubber products..... | 113.3 | 113.0 | 111.1 | 0 | -8 |
| Crude rubber..... | 98.6 | 98.6 | 99.4 | .3 | 1.1 |
| Tires and tubes..... | 108.7 | 108.4 | 107.5 | .3 | 3.2 |
| Miscellaneous rubber products..... | 120.8 | 120.4 | 117.0 | .2 | -1 |
| Plastic construction products (December 1969=100)..... | 93.5 | 93.3 | 93.6 | -4 | -3.7 |
| Unsupported plastic film and sheeting (December 1970=100)..... | 98.1 | 98.5 | 101.9 | -5 | -1.3 |
| Laminated plastic sheets, high pressure (December 1970=100)..... | 97.9 | 98.4 | 99.2 | 1.1 | 14.4 |
| Lumber and wood products..... | 144.2 | 142.7 | 126.1 | 1.3 | 18.3 |
| Lumber..... | 159.0 | 157.0 | 134.4 | .6 | 5.1 |
| Millwork..... | 128.4 | 127.6 | 122.2 | 1.1 | 19.5 |
| Plywood..... | 131.7 | 130.3 | 110.2 | .6 | 3.6 |
| Other wood products..... | 123.4 | 122.7 | 119.1 | .3 | 3.0 |
| Pulp, paper, and allied products..... | 113.5 | 113.2 | 110.2 | .4 | 3.0 |
| Pulp, paper, and products, excluding building paper and board..... | 113.8 | 113.4 | 110.4 | 0 | 8 |
| Woodpulp..... | 111.5 | 111.5 | 112.4 | 5.5 | 22.6 |
| Wastepaper..... | 137.7 | 130.5 | 112.3 | .3 | 1.7 |
| Paper..... | 116.2 | 115.9 | 114.3 | .2 | 3.1 |
| Paperboard..... | 106.0 | 105.8 | 102.8 | .2 | 3.4 |
| Converted paper and paperboard products..... | 113.5 | 113.3 | 109.8 | .1 | 3.3 |
| Building paper and board..... | 106.6 | 106.5 | 103.2 | | |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, JUNE 1972—Continued
 [1967=100 unless otherwise indicated]

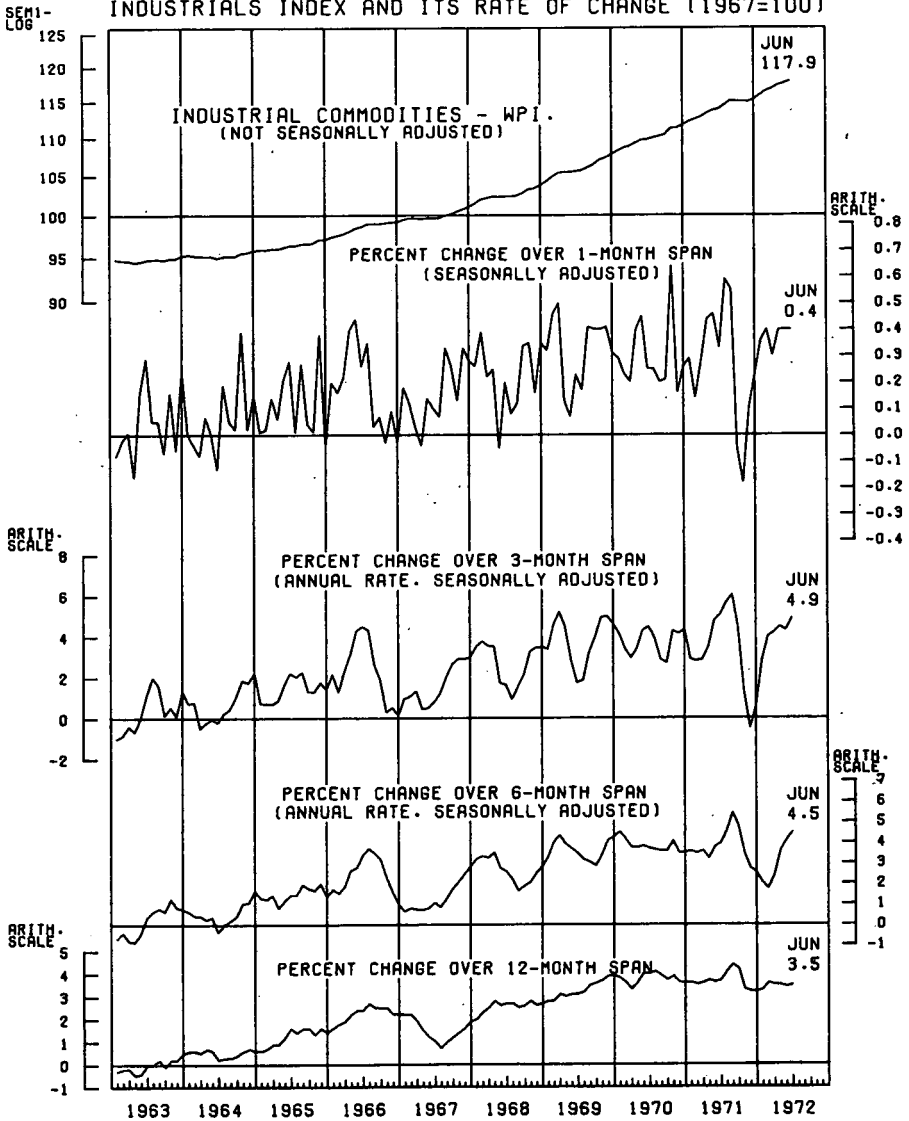
| | Indexes | | | Percent change to June 1972 from— | |
|--|---------|-------|-------|-----------------------------------|------------|
| | 1972 | | 1971 | 1 month ago | 1 year ago |
| | June | May | June | | |
| Metals and metal products..... | 123.6 | 123.6 | 118.5 | 0 | 4.3 |
| Iron and steel..... | 128.1 | 128.3 | 120.3 | .2 | 6.5 |
| Nonferrous metals..... | 117.6 | 117.8 | 116.4 | .2 | 1.0 |
| Metal containers..... | 128.8 | 127.3 | 123.0 | 1.2 | 4.7 |
| Hardware..... | 120.4 | 120.2 | 115.8 | .2 | 4.0 |
| Plumbing fixtures and brass fittings..... | 119.7 | 119.0 | 116.8 | .6 | 2.5 |
| Heating equipment..... | 118.6 | 118.1 | 115.2 | .4 | 3.0 |
| Fabricated structural metal products..... | 122.2 | 122.0 | 117.9 | .2 | 3.6 |
| Miscellaneous metal products..... | 124.4 | 124.4 | 118.7 | 0 | 4.8 |
| Machinery and equipment..... | 118.1 | 117.9 | 115.5 | .2 | 2.3 |
| Agricultural machinery and equipment..... | 122.7 | 122.3 | 116.9 | .3 | 5.0 |
| Construction machinery and equipment..... | 125.9 | 125.6 | 121.2 | .2 | 3.9 |
| Metalworking machinery and equipment..... | 120.2 | 120.0 | 117.9 | .2 | 2.0 |
| General purpose machinery and equipment..... | 122.7 | 122.2 | 119.3 | .4 | 2.8 |
| Special industry machinery and equipment..... | 123.7 | 123.5 | 120.9 | .2 | 2.3 |
| Electrical machinery and equipment..... | 110.6 | 110.5 | 109.4 | .1 | 1.1 |
| Miscellaneous machinery..... | 120.7 | 120.3 | 117.2 | .3 | 3.0 |
| Furniture and household durables..... | 111.2 | 111.1 | 109.8 | .1 | 1.3 |
| Household furniture..... | 117.2 | 117.1 | 115.2 | .1 | 1.7 |
| Commercial furniture..... | 119.5 | 119.4 | 118.1 | .1 | 1.2 |
| Floor coverings..... | 98.6 | 98.2 | 98.4 | .4 | .2 |
| Household appliances..... | 107.1 | 107.2 | 107.1 | -.1 | 0 |
| Home electronic equipment..... | 92.6 | 92.9 | 93.6 | -.3 | -1.1 |
| Other household durable goods..... | 125.4 | 125.0 | 120.1 | .3 | 4.4 |
| Nonmetallic mineral products..... | 125.8 | 125.9 | 122.2 | -.1 | 2.9 |
| Flat glass..... | 121.1 | 121.5 | 122.5 | -.3 | -1.1 |
| Concrete ingredients..... | 126.8 | 126.7 | 121.5 | .1 | 4.4 |
| Concrete products..... | 125.3 | 125.1 | 120.1 | .2 | 4.3 |
| Structural clay products excluding refractories..... | 117.4 | 117.2 | 114.5 | .2 | 2.5 |
| Refractories..... | 127.1 | 127.1 | 126.9 | 0 | .2 |
| Asphalt roofing..... | 131.2 | 131.2 | 130.7 | 0 | .4 |
| Gypsum products..... | 113.9 | 113.4 | 104.0 | .4 | 9.5 |
| Glass containers..... | 136.2 | 136.2 | 131.5 | 0 | 3.6 |
| Other nonmetallic minerals..... | 127.4 | 128.4 | 124.8 | -.8 | 2.1 |
| Transportation equipment (December 1968=100)..... | 114.2 | 113.8 | 110.0 | .4 | 3.8 |
| Motor vehicles and equipment..... | 118.5 | 118.1 | 114.4 | .3 | 3.6 |
| Railroad equipment..... | 129.6 | 129.6 | 120.8 | 0 | 7.3 |
| Miscellaneous products..... | 114.2 | 114.1 | 112.6 | .1 | 1.4 |
| Toys, sporting goods, small arms ammunition..... | 114.4 | 114.1 | 112.6 | .3 | 1.6 |
| Tobacco products..... | 117.5 | 117.5 | 116.5 | 0 | .9 |
| Notions..... | 111.7 | 111.7 | 111.7 | 0 | 0 |
| Photographic equipment and supplies..... | 106.2 | 106.2 | 106.0 | 0 | .2 |
| Other miscellaneous products..... | 115.2 | 114.9 | 113.9 | .3 | 2.9 |

WHOLESALE PRICE INDEX 1963-1972

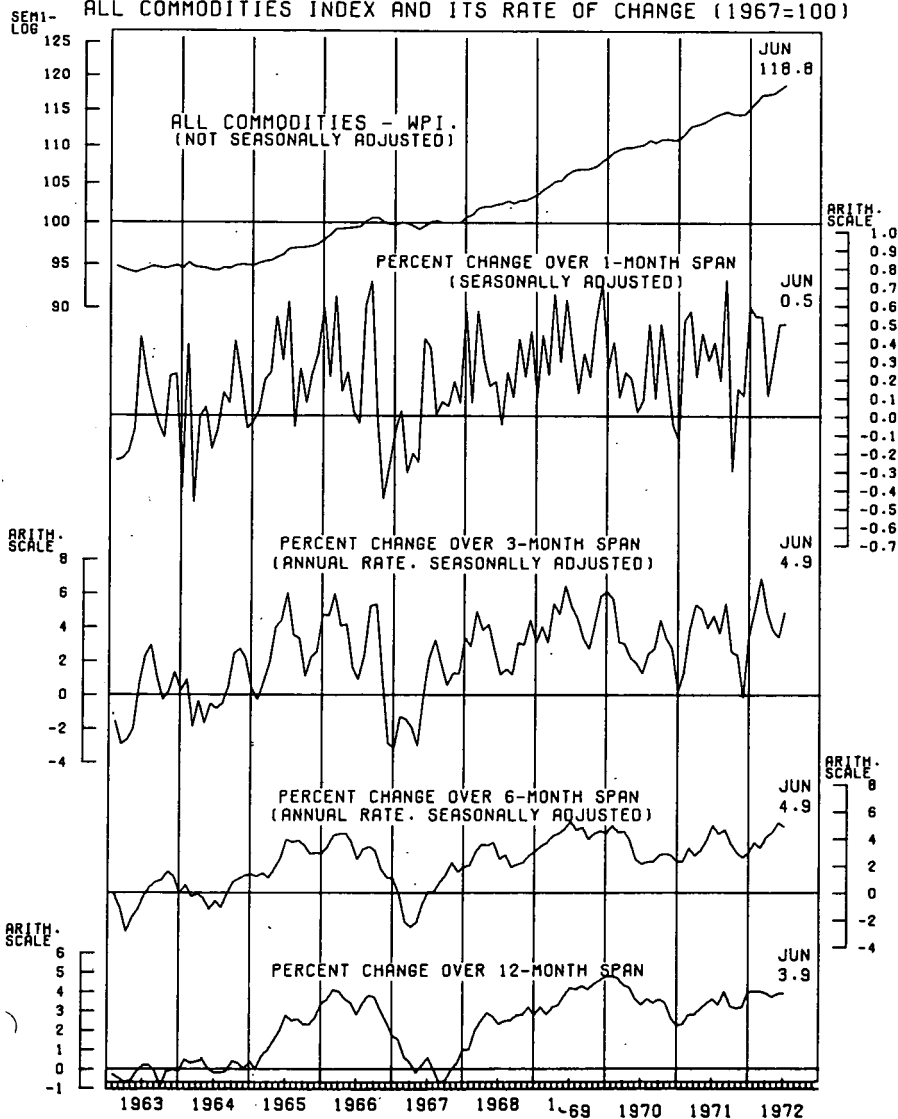
SEMI-LOG CONSUMER FINISHED GOODS AND ITS RATE OF CHANGE (1967=100)



WHOLESALE PRICE INDEX 1963-1972
INDUSTRIALS INDEX AND ITS RATE OF CHANGE (1967=100)



WHOLESALE PRICE INDEX 1963-1972
 ALL COMMODITIES INDEX AND ITS RATE OF CHANGE (1967=100)



Mr. MOORE. I have also a table I have used in this hearing before, if you're willing to put that in the record, showing the measures of price and wage changes before and during the stabilization program.

Chairman PROXMIRE. Without objection.

(The table referred to follows:)

MEASURES OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT STABILIZATION PROGRAM

1. Monthly Series

[Seasonally adjusted percent change, compound annual rate]

| | 12 months, December 1968 to December 1969 | 12 months, December 1969 to December 1970 | 8 months prior to phase I: December 1970 to August 1971 | 3 months, phase I: August to November 1971 | 7 months, phase II: November 1971 to June 1972 | 10 months, phases I and II: August 1971 to June 1972 |
|---|---|---|---|--|---|--|
| CPI | | | | | | |
| All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 13.5 | 12.9 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 14.4 | 13.5 |
| Commodities less food..... | 4.5 | 4.8 | 2.9 | 0 | 12.9 | 11.9 |
| Services ² | 7.4 | 8.2 | 4.6 | 3.1 | 13.6 | 13.4 |
| Rent ² | 3.8 | 4.5 | 4.3 | 2.8 | 12.9 | 12.9 |
| WPI | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | -2 | 5.3 | 3.6 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | -5 | 4.4 | 2.8 |
| Farm products, processed foods, feeds ³ | 7.5 | -1.4 | 6.5 | 1.1 | 7.6 | 5.6 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | 3.8 | 2.3 |
| Consumer foods ³ | 8.2 | -2.5 | 6.8 | .3 | 5.4 | 3.8 |
| Consumer commodities excluding food..... | 2.9 | 4.0 | 2.2 | -4 | 2.9 | 1.9 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | 4.1 | 2.2 |
| Spot market price index, industrial materials ^{2,4} | 16.4 | -8.8 | -4 | 3.1 | 28.4 | 20.2 |
| Private nonfarm production workers: Earnings in current dollars: | | | | | | |
| Hourly ⁵ | 6.5 | 6.8 | 7.2 | 1.9 | 7.2 | 5.6 |
| Gross weekly..... | 6.2 | 4.3 | 6.4 | 4.6 | 7.5 | 6.6 |
| Spendable weekly ⁶ | 4.8 | 4.8 | 8.1 | 4.1 | 8.1 | 7.3 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁵ | .4 | 1.3 | 3.3 | 0 | 14.5 | 13.0 |
| Gross weekly..... | .1 | -1.1 | 2.5 | 2.6 | 13.5 | 13.2 |
| Spendable weekly ⁶ | -1.1 | -7 | 4.2 | 2.1 | 14.1 | 13.9 |

¹ Data through May 1972.

² Not seasonally adjusted; data contain almost no seasonal movements.

³ Raw agricultural products are exempt from the price controls.

⁴ Weekly index, not a component of WPI. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.

⁵ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.

⁶ Gross weekly earnings, after taxes, for worker with 3 dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

Source: Bureau of Labor Statistics, July 7, 1972.

Mr. MOORE. As you have already noted, the employment situation improved in June, with unemployment declining to 5.5 percent and total employment rising, although nonfarm jobs, as reported by employers, remained unchanged.

The workweek also rose. At 5.5 percent, the unemployment rate is the lowest since October 1970.

As you've also noted, the decline in unemployment was concentrated among the young under the age of 24. The unemployment rate for household heads remained at 3.6 percent. For married men it remained at 2.9 percent. The unemployment rate for blacks declined to 9.4 percent, the lowest since 1971. The rate for veterans declined to 7.2 percent, the lowest since November 1970.

The gap between the nonveterans and the veterans rate for the same age groups—that is, 20 to 29—has now been reduced to less than one percentage point, whereas a year ago the veterans rate was two percentage points higher than the corresponding rate for nonveterans.

Although there was a sharp decline in unemployment last June, as you have noted, there is an important difference between the situation then and now. It is that then the decline in unemployment was accompanied by a decline in employment, which always makes the situation uncertain. Now, however, there is a rise in employment, as shown by the household survey. It is a continuation of the rise that has been going on for more than a year.

Another factor is that last June there had been no improvement in the unemployment rate in the earlier months of the year compared with the same months the year before, whereas now there has been an improvement in every month since last December. Improvements have been one-tenth or two-tenths of a percent, but in June, compared with June a year ago, the improvement was three-tenths of 1 percent.

The release on employment contains new information on hourly and weekly earnings in June. Both rose again, and both are now close to 6 percent higher than they were a year ago. The rise in the Consumer Price Index has only been about half as great, so there has been an increase of about 3 percent in real earnings. This is approximately equal to the longrun average rate of gain in real earnings, whereas during the period when inflation was accelerating, 1965 to 1969, there was virtually no gain in real earnings. With the restoration of the longrun rate of gain in real earnings of 3 percent a year, the wage earner is getting a substantial benefit from the anti-inflation program.

The Wholesale Price Index, which was also released today, rose one-half of 1 percent in June, and the Industrial Commodities Index rose four-tenths of a percent after seasonal adjustment.

Consumer finished goods, the component most close to the consumer price level, rose three-tenths of a percent. Part of that increase was due to food prices, which rose five-tenths, mainly because of higher meat and poultry prices. The increase in consumer goods other than food was only two-tenths of a percent.

Over the whole period of the stabilization program since last August—and that is covered in the table that I have put in the record—consumer finished goods prices have risen at the annual rate of 2.3 percent. This includes the 3-month freeze period. Since the freeze ended, the rate of increase has been 3.8 percent.

That very briefly summarizes what we have in these releases, Mr. Chairman, and I would be glad to answer any questions.

Chairman PROXMIRE. All right, sir. Fine.

I appreciate that.

I want to get a little better understanding, now, of the difference between last June and this June. Last June, part of the decline in unemployment activity was attributed to the early survey week. As I recall, since most young people were still in school during that week, unemployment among teenagers and young adults didn't rise as much in last June's statistics as it normally does. It was a freak of the time the survey was taken. When the survey week started, they were still in school and the assumption under seasonal adjustment is that there are students seeking work, and they were not.

Now, since the rate jumped again last July, I assume they entered the labor force in June and were counted in the June survey.

This year the survey week came very late, did it not, so that it would seem that, if that is the case, you would not have a situation of teenagers who were in school and therefore not seeking work, young adults from college not seeking work. Instead they were probably out seeking work.

Is that right?

Mr. MOORE. Yes.

The date of the survey is always the week that includes the 12th of the month. The 12th of the month last year came on a Saturday, and that put the survey week into the second week of June, and many students had not graduated at that point. This year the week including the 12th is the third week in June, and many, of course, have graduated by that time.

Chairman PROXMIRE. So you think the seasonal adjustment is likely to be more firm and more reliable than last year for that reason?

Mr. MOORE. Well, I don't think it is affected by that factor. Furthermore, last year in the January revision of the seasonal factors, we took into account, because data were then available, the change in the seasonal factors over the last few years.

So, those changes have been already incorporated into the factors that we are now using for this year. Now, when January comes around in 1973, we will be making another revision of the seasonal factors. It is certainly possible that we will be revising the figures for May or for June or for other months of the year slightly, but I don't expect the revisions to be very large.

Chairman PROXMIRE. How would you react to this analysis of what happened, in view of what you say in your release?

In June we had no change of unemployment for heads of households for adult men and women over 24. The entire improvement was for young people. In view of the fact that there was no increase in non-farm payrolls according to your figures in June as compared to May—that is, no more employment, no more jobs—seasonally adjusted, the reduction in unemployment seems to be because there are more discouraged workers among the teenagers and young adults. In other words, more of them just don't try.

In some cases they can afford to rely on their parents for sustenance, and as a result it may be an illusion here that there is any significant improvement in unemployment.

Now, as I say, that is just one reaction to the statistics, and perhaps it's wrong, and I would like to know what your reaction to my reaction is.

Mr. MOORE. I don't know whether there has been any increase in the number of teenagers that have been discouraged from looking for work. We do have, on a quarterly basis, the total number of discouraged workers; that is, those who say they want a job but have given up looking for it because they think they can't find one, and for the second quarter of this year there was no increase from the first quarter. It was about the same. I think there may have been a slight decline but it was negligible.

So, substantially, over the second quarter, there has been no overall increase in the number of discouraged workers. I don't have a break-

down of that by age, so I really can't answer the question of whether there's been a change in the mix, and particularly for June.

So, while your analysis may be correct, I have no way of establishing whether it is or not.

Possibly Mr. Kaitz may have some observations he wants to make on that.

Mr. KAITZ. I don't think all of the returns are in yet on this issue, so I don't think we can say very much at this point.

I don't think there was any increase in the discouragement of young workers, but the change from May to June obviously represents such a change in status for many of them that it's really hard to judge just what happened.

Chairman PROXMIRE. I appreciate your caution, and as I say, the entire change in unemployment is concentrated, as you say, with young adults and teenagers—that part of the market.

Now, the great headline that will go out to the country today, the news, and in the newspapers throughout the country is going to be that unemployment is down, and I want to get as clear an understanding of it as I can, and the word that I get here from your reaction is that we should be cautious about that. It may be a little early to make the assumption that this is a matter of an actual improvement, or it may be that there is discouragement, but you would not take a decisive position either way at this moment. The returns aren't in.

Is that right?

Mr. KAITZ. Sure.

Our best evidence of what happened in the labor market comes from such rates as unemployment rate of household heads and married men. These actually have shown some improvement some time ago. Now, between May and June on a seasonally adjusted basis, they show no change.

Chairman PROXMIRE. So the latest month you would say that there is no significant change there as far as the heads of households and married men.

Mr. KAITZ. That's right.

Chairman PROXMIRE. Except for the younger married men because there was improvement for those under 24, those who are married.

Mr. Moore, you are one of the outstanding business experts in the Nation. We all respect your professional ability in this area.

There was a story in the newspapers this morning that Mr. Harold Passer has developed a different view on leading indicators. The headline is revealing. It says, "A Leading Proponent of Leading Indicators Says Don't Be Misled. Commerce Unit's Passer Hailed Index When It Hinted Surge, But Hedges When It Levels." It says:

The highly touted leading indicators index soon may start flashing a signal of economic weakness that would make it misleading, a top Commerce Department official said.

Harold C. Passer, Assistant Secretary for Economic Affairs, has long been urging attention to the index, arguing that its strong rise is evidence that the overall economy will be doing better than critics of the Nixon administration have contended.

Yesterday, however, Mr. Passer called a news conference to convey a contrary message, that in the near future it would be unwise to put as much reliance on the index, which is a composite of 12 other economic indicators considered key guides to coming trends.

The reason, he explained, is that historically the index is most useful in that it starts pointing sharply upwards even when current conditions still are adverse. But at about the present stage in a business expansion—the current one dates from November 1970—the index typically levels off, he said, even though business generally continues to rise for another year to 18 months.

Now, on the assumption that the indicators are going to level off, would you concur that that is unlikely to mean that the economic expansion will level off?

Mr. MOORE. Yes. I think the history of the leading indicators suggests that there frequently is a leveling off in the rate of increase of the indicators, many of them, prior to—for a long time prior to any cessation of expansion. That is, they begin to rise more slowly and have more frequent 1- or 2-month declines, and so on.

I think what Mr. Passer was saying was that these hesitations in this group of leading indicators should not be misinterpreted, that it has happened before during expansions, and the expansions have kept on going for many months.

On the other hand, I would also say that the actual downturn in the leading indicators as a group has not preceded the downturn in the economy, when it finally comes, by very many months. So, if there were a concerted downturn, it should be recognized. I think that I would interpret that rather differently.

Of course, that hasn't happened, and I don't think Mr. Passer was saying that he was predicting it.

Chairman PROXMIRE. Well, he said it soon may start flashing a signal of economic weakness, and he says that you could continue to have an expansion for 12 to 18 months. Now you say that if they actually turn down, and the weakness is consistent and uniform throughout the indicators, that the turndown may come sooner than that. This would suggest that if they turn down you can look for a period of economic recession within 6 months to a year and a half. That seems to be the limit that you experts place on it. If the economy is going to turn down, probably it will if the indicator turndown is sufficiently discouraging.

But all of this is hypothetical because we don't have the weaknesses showing as yet.

Is that right?

Mr. MOORE. That's right. The index has kept on going up.

Chairman PROXMIRE. When the Census Bureau interviewers were questioning people about their employment status, when they knock on the door to gather this data on which the statistics are based, do they ask the person if he is employed through a Government-sponsored program?

Specifically, does the interviewer inquire whether or not the person is employed through funds supplied by the Emergency Employment Act?

Mr. MOORE. I believe the answer to that is "No," but Mr. Kaitz perhaps could answer that.

Mr. KAITZ. There is no question asked of everyone if they are employed with respect to whether or not he's employed in a program funded by the Federal Government. Sometimes this information may be volunteered during the course of the interview, and it may be noted by the interviewer on a blank space, but other than the fact

that it comes out as volunteered information, it is not tabulated, and we don't ordinarily have a record of it.

Chairman PROXMIRE. I want to clear that point up today because Mr. Weinberger, when he appeared before as the head of the Office of Management and Budget, 2 weeks ago insisted that those employed by public service employment funds were counted as unemployed.

The act passed by Congress specified that, for the purposes of the act, the public service employee should be counted as unemployed. This was done, I believe, to prevent the trigger mechanism from expiring simply because a large number of persons were employed under the act.

However, am I correct in saying that the employment data collected by Census and BLS counts these workers as employed?

On the basis of your responses today, I would say the answer to that is they are.

Mr. KAITZ. Sir, I think we have to distinguish between the national statistics, which are collected for us by the Bureau of the Census, and which are being reported here to you this morning, and the State and area estimates of unemployment which are prepared out in the States based on estimates of insured unemployment, and then add to these figures estimates of people not covered.

Chairman PROXMIRE. Well, you and Mr. Weinberger are talking about the same things.

Mr. KAITZ. These local area estimates do not count these people as employed, I believe.

Chairman PROXMIRE. They do not count them as employed?

Mr. KAITZ. I don't believe they do.

Chairman PROXMIRE. But the statistics we are talking about, the 5.5 percent figure this morning, that would count those people as what, as employed or unemployed?

Mr. KAITZ. This would count them as employed.

I think you will find that if a person—

Chairman PROXMIRE. So this is where you would differ from Mr. Weinberger, and then the law, as I say, the trigger is tied to the statistic of 5.5-percent figure. That's where the trigger is. That's why Congress, when we passed the law, we specified that people who were working in this particular area should not be considered as employed. As a matter of fact, they were not during the entire New Deal in working on public works, and they shouldn't be here because otherwise you have the situation where, if this program works in a sufficiently big way, it is ended because the trigger would start taking effect.

You see our problem here?

Mr. MOORE. Yes, but I think the trigger that is used in this act is the State estimates of unemployment that are separate from and distinct from these national figures of unemployment that we are reporting here today of 5.5 percent. The treatment of people who are employed under the public programs is different in the two cases.

Chairman PROXMIRE. So, what you're saying is that the trigger would not be the national unemployment figure that we are discussing this morning that is in your release.

Mr. MOORE. That is my understanding. It's compiled on a State basis.

(The following clarification was subsequently supplied for the record by Mr. Moore:)

The trigger used in this Act is the seasonally adjusted national unemployment rate of 4.5 percent when the latter has been adjusted so that it counts people as unemployed who are employed under this Act. It is not feasible to add probing questions to the CPS itself which would attempt to identify people employed under this Act since many of them (for example policemen or school-teachers) would not know that their salaries were being paid from funds appropriated under this Act since their duties and responsibilities are the same as those of other employees whose salaries are paid from the usual local government funds.

Chairman PROXMIRE. I note that the wholesale price index for June shows a 6.5-percent increase; that's an annual rate of 6 percent and that's really a serious inflationary level. Industrial prices are up 0.4 percent or an annual rate of 4.8 percent, and food prices are up 0.5 percent.

Would you say that this performance is still part of the bulge we've been hearing so much about since the price freeze ended last November?

Mr. MOORE. The bulge—

Chairman PROXMIRE. That's the longest bulge in history, if that's the case.

Mr. MOORE. And the bulge is getting longer.

I would say this. Although there certainly has been a bulge and it has lasted quite a while, it has not been sufficient to entirely erase the effects of the freeze. This was one of the possibilities when the freeze was ended—that there would be such an increase in the prices then that the prior effect of the freeze would no longer be apparent. The evidence for that is in this table; namely, taking the total wholesale price index of commodities over the whole period, including both the freeze and the bulge, the annual rate of increase is 3.6 percent, whereas in the 8 months prior to the freeze it was rising at a rate of 5.2 percent. Similarly with the industrial commodities index, including the bulge and the freeze, the annual rate of increase over those 10 months is 2.8 percent, and that compares with 4.7 percent for the 8 months prior.

Chairman PROXMIRE. I disagree wholeheartedly with that analysis because I just don't think you can include the freeze. The freeze, after all, is something that we all know worked. Everybody agreed it worked. It was bound to be effective, and it was, just as any freeze is, very simple and clear, and it is such a limited period of time it's just not worth violating.

On the other hand, if you take the 8 months prior to phase I—that is, December 1970 to August 1971—and take the 8 months of phase II, November 1971 to June 1972, you find that during phase II, during the control period, you had a sharper rise in prices than you had before the controls went into effect. In other words, you don't have any record of success.

Mr. MOORE. For all commodities, that's correct.

For the industrials there is small improvement, but my point was, the one question concerning this matter of the bulge is, did it sufficiently loosen up prices so that the prior effect of the freeze was completely eliminated, and my answer on that is so far it has not done so.

Chairman PROXMIRE. Will the food prices which you report on today be controlled under the new regulations which have been talked

about recently; you know, the controls at the second level just beyond the farmers' sales prices?

Mr. MOORE. They will be controlled to that extent. That does not include control of the farm prices themselves, but it does include control of the margins beyond the farm price.

Chairman PROXMIRE. The President recently lifted meat import quotas in an effort to help stem the rise in domestic meat prices. However, according to reports, most of the beef to be imported is of a fairly low grade, used mainly for hamburgers. What weight does this type of meat have in the wholesale price index and Consumers Price Index, and even if hamburger and low-grade-meat prices dropped substantially, say, 30 percent, how much of an impact would this have on the overall Consumer Price Index?

Mr. POPKIN. That is a difficult question to answer right now. The reason is that the meat specification at the consumer level is based on the volume seller, so that in particular markets there would have to be substantial inroads made by imported beef in order for the pricing to shift to that kind of beef, assuming that it did not meet the basic CPI specifications.

If it met the basic CPI specifications, then it would be reflected, but assuming that it does not meet the specification, then it only would be reflected, for example, when imported hamburger became a volume seller vis-a-vis domestic hamburger at any particular outlet.

Chairman PROXMIRE. Can you give me any overall generalization, then, as to what effect the President's lifting of meat quotas is likely to have on the Consumer Price Index?

Mr. POPKIN. Well, it may not show up to any great extent.

Chairman PROXMIRE. It may be less than one-tenth of a percent?

Mr. POPKIN. I will just say it could be that small.

Chairman PROXMIRE. It's likely to be about that small, isn't it?

Mr. POPKIN. You are assuming a 30-percent decline in prices, I can bracket the magnitude of the possible effect of that. Meat prices have a weight of about 5 percent in the index, so that, if they decline 30 percent, that would lead to a 1.5-percent decline in the CPI.

Chairman PROXMIRE. Meat prices do, but this is only one part of the meat prices. This is hamburger.

Mr. POPKIN. Well, hamburger—

Chairman PROXMIRE. Meat would include chicken and fish and all kinds of cuts.

Mr. POPKIN. No, I was excluding poultry and fish.

Chairman PROXMIRE. Excluding poultry and fish, hamburger is 30 percent of the meat category.

Mr. POPKIN. No. Meat is 4½ percent and you were assuming a 30-percent decline, so I was multiplying the 30 percent times a weight of about 5 percent. That would be a decline of about 1.5 percent in the CPI. To work just with the hamburger rate, which is 0.6, you get a decline of two-tenths of one percent for a 30-percent decline in hamburger prices.

Chairman PROXMIRE. Well, I think I was being pretty optimistic.

I have a couple of very serious questions relating to procedure here.

One is the Wall Street Journal reports this morning that some jobs—this is what they say and the Journal isn't exactly a partisan sheet. It's not pro-Democratic.

It says some jobs in the administration are going to reliable Republicans, and cites Republican Daniel Rathbun, Deputy Labor and Statistics Commissioner. They say he reviews the staff's unemployment analyses. He took the position, I understand, held by Harold Goldstein, who is the highly respected economist.

Wasn't Harold Goldstein the Deputy Commissioner in charge of reviewing the unemployment data?

Mr. MOORE. Mr. Goldstein was the Assistant Commissioner in charge of the employment statistics. His job was divided between Mr. Kaitz, who is here with me now, and Mr. Goldstein himself, who has now retired. We have appointed Dudley Young as his successor.

Chairman PROXMIRE. It's on the front page and it's in that column, the Washington Data.

Mr. MOORE. Mr. Rathbun was appointed Deputy Commissioner in charge of data analysis, which includes not only employment but also prices, wages, productivity, accident statistics, and everything we do in the form of analytical work on our data.

Chairman PROXMIRE. Tell me, what are Mr. Rathbun's professional qualifications?

Mr. MOORE. He holds a Ph. D. in economics from the University of California. His most recent assignment was Executive Director of the President's Commission on Federal Statistics, which completed its work and reported to the President last September.

Chairman PROXMIRE. What was his most recent private appointment?

Mr. MOORE. He was a professor of economics at the University of Pittsburgh, and was the head of a division at the Center for Naval Analyses, which is affiliated with the University of Rochester.

So, he has an outstanding academic record.

Chairman PROXMIRE. Has he written articles or books on unemployment statistics, unemployment problems, analysis?

Mr. MOORE. Not as far as I know.

Chairman PROXMIRE. He does not have a specific background in this particular phase where he has editorial responsibilities.

Is that right?

Mr. MOORE. Well, he does not have editorial responsibility in the field of either employment statistics or other statistics.

Chairman PROXMIRE. Well, it says he reviews the staff's unemployment analysis.

How does he review it?

Mr. MOORE. Well, he sits in a meeting which is held in my office, of which I am chairman, along with some 15 or so other members of the staff, and we review together the employment release, the wholesale price release, the consumer price release and possibly a few other important releases. So he sits in at those meetings along with the other people and he contributes whatever he has to say at that point.

Chairman PROXMIRE. This is what bothers me very much.

The Bureau of Labor Statistics has always insisted that its press releases are factual and nonpartisan. The Wall Street Journal identified this man as being a partisan party, a Republican.

I am disturbed to note, however, that during this past year the releases have acquired a definite bias. On reviewing the press releases on the employment situation for 1972, I noticed that the lead sentence,

which is perhaps the most important one in the release, is always biased in favor of the more optimistic statistic. The unemployment rate is never mentioned first, unless it drops. In all other instances, BLS mentions employment first.

Let me quote the lead sentence for the monthly 1972 release:

"June: The Nation's unemployment rate dropped 5.5 percent in June." Notice there was no mention of employment.

"May: Employment rose in May while unemployment remained unchanged.

"April: The Nation's employment situation was essentially unchanged in April.

"March: Employment increased markedly in March while unemployment rose slightly.

"February: Unemployment declined slightly in February and employment was essentially unchanged.

"January: Employment rose in January while the unemployment rate was essentially unchanged."

Why, if the Bureau of Labor Statistics is truly an objective, non-partisan agency, aren't you more consistent in writing your releases?

Mr. MOORE. Mr. Chairman, I believe we are as consistent as it is humanly possible to be, and we make these releases and the statements in them as consistent as we can.

Chairman PROXMIRE. Well, they are consistently optimistic.

Mr. MOORE. No, sir; they are consistently factual, and the drafts of these releases are prepared by the technical staff. We rarely change any of the sentences but sometimes we do modify them, but it is based on the meeting that is held in my office.

Chairman PROXMIRE. Don't you think one criterion in evaluating the objectivity of the release is in judging very carefully that first sentence, which is the lead, and any newspaperman will tell you this is the most critical element in any news release, the lead, and you always start it off with the more optimistic or more favorable, I should say, more favorable element in the picture, whether it is declining unemployment, or whether it is expansion in employment.

Isn't that a bias in favor of providing the most favorable kind of data?

Mr. MOORE. If it is a bias, it's not one I've noticed, and I don't really believe it is.

I think during this last year one of the important facts that has been revealed by these releases is the improvement in employment, and if we failed to call attention to that, we would be neglecting a very important fact.

Now, it's true, too, and we have called attention to this month after month, the unemployment rate has not declined very much. So we have called attention to that, also.

Now, I don't see how we can do any better than what we've done by calling attention to those very important facts right at the beginning of the release.

Chairman PROXMIRE. It would be interesting if you had a release once in a while which calls attention—if you had a situation where, for example, unemployment improved, unemployment went down. I'd like to see you just once start off by saying unemployment increased.

As I point out, in the 6 months of this year, we cannot find an example of that.

Mr. MOORE. I will be very glad to review the entire record, but I don't believe I will find any bias of that sort, and I don't believe it is consciously there. It may have been unconscious, but it's not consciously there.

Chairman PROXMIRE. Last night, on the Elizabeth Drew Show, Caspar Weinberger, Director of the Office of Management and Budget, said the unemployment figure for June would be very much better than the level of 6 percent that prevailed since 1970.

I checked that this morning, and I found that the Elizabeth Drew Show is taped about noon. That was noon yesterday. It seems that this is a most unfortunate release of information in advance by Mr. Weinberger. I think it goes to the integrity of the unemployment statistics.

I wonder if you can give me another example of any administrator, administrative appointee, or any President at any time in the past disclosing unemployment direction so far in advance of the release time. I just don't understand why Mr. Weinberger should be informed in advance. I realize he's a very powerful man, and he has more say over how much money each of the agencies get, including your agency, than any other.

It would seem to me that this is something that should be released at the same time to everyone, maybe 2 hours in advance. You do that for the press, I guess, so they can have an opportunity to get it out, but I don't know why Mr. Weinberger should have almost a 24-hour jump, and then release this publicly.

Mr. MOORE. I believe, Mr. Chairman, the statement that Mr. Weinberger made was unfortunate, and I am very much disturbed about it myself. I have already reported on it to the Secretary of Labor, and he is disturbed also.

These occasions have been very rare. They have not happened frequently. The officials of the Government have been, I think, very careful about saying anything about the figures until 1 hour after the release of the statistics by the statistical agency.

This is an unfortunate occurrence. I regret it very much, and I am very disturbed about it, but as I say, it has been a rare occurrence. It has happened before, but I don't want it to happen again.

Chairman PROXMIRE. Well, I appreciate that, Mr. Moore, Mr. Commissioner. I think it's a most helpful, reassuring statement.

How many people receive the rate in advance, the employment rate?

Mr. MOORE. Of course, there is a large number of people, technicians in the Bureau of Labor Statistics.

Chairman PROXMIRE. How many people outside of your Bureau would get an advance on this?

Mr. MOORE. There are a few Cabinet officials, officials of Cabinet level that would normally know the rate in advance.

Chairman PROXMIRE. Why is that necessary?

Let me just say what I'm thinking is this. This committee, you know, does have responsibility for economic statistics, and it seems to me that we should be informed at the same time as anybody else outside of the agency should be. I realize the administration has a very deep interest and a great competence in this area, and maybe it would

like information so they can be prepared to comment, but as I said, this committee has—it's true we are bipartisan—both Democrats and Republicans—they are Republicans, but that should not make any difference. I think we should get this information at the same time as Mr. Weinberger or the Secretary of the Treasury or the Secretary of Commerce or Secretary of Labor.

The Secretary of Labor, of course, is your immediate superior. I can understand that, perhaps, but these other people, it is hard to understand why it should be so widely disseminated.

Mr. MOORE. Well, sir, it is not widely disseminated. I do inform the Secretary of Labor, and it is under his instructions that other individuals at the Cabinet level are informed as well.

Chairman PROXMIER. Well, let me again spell out my problem here. Mr. Weinberger is, as I said, the head of the Office of Management and Budget. He has a great deal of authority in recommending the amount that each agency will have to spend, and I know Mr. Weinberger. He's a man of complete integrity, but I think this is an election year in which the unemployment figures are going to be right at the heart of the election campaign. Some people even estimate that the Presidency could be determined by it; unlikely, maybe, in view of recent developments, but that's not impossible.

So there is a great stake in having a favorable rate develop in September and October, and for that reason I think the notion that there were people in the administration who had to get the information early, once you get that information, there would be a temptation to use the information to perhaps have an effect on what the rate was reported.

Now, I am confident that would never happen, knowing you and knowing the integrity of the people who are involved here, but I can see how a fear of this could develop if officials of the administration announced this early and in a partisan context, or released in the context of saying that they feel that we now have things moving along the right direction. This is the reason why I am so deeply concerned about it.

Mr. MOORE. Well, the policy is very clear, Mr. Chairman. No official of the Government is to announce or say anything about the rate of unemployment until at least 1 hour after it is released by the Bureau of Labor Statistics.

As I said, that rule and procedure has been followed 99.99 percent of the time. This, as I say, was an unfortunate exception, and my hope and endeavor will be to see that it doesn't happen again.

Chairman PROXMIER. I appreciate that very much.

As you may know, a report of Federal productivity trends was released today. I am told that your staff had a substantial role to play in developing the report. I want you and your staff to know that we very much appreciate your efforts.

Among the recommendations is one which proposes the BLS prepare the data to be used in the future.

Have you formulated any plans as yet to do this job on measuring productivity of Federal workers? Do you have any idea how much it would cost?

It seems to me this could be most useful and most helpful in providing some real increases in efficiency and more for the taxpayer's dollar.

Mr. MOORE. Well, sir, we take a very favorable view of the idea of developing these measures of productivity in the Government Establishment. We have not, as yet, assumed such a responsibility, and we are studying the methods and data that have been introduced but have not yet arrived at any conclusion.

Chairman PROXMIRE. I noticed in the recommendation it says you will do the job if you—that is, the Bureau of Labor Statistics—“consider that the data and methodology meet acceptable standards.”

Have you gone over the present report from the point of view of acceptability of methods and data?

I wonder if you can give me any examples of what would be unacceptable data or methods?

Mr. MOORE. Unfortunately, my expert on productivity is not with me today: Mr. Jerry Mark. I know he is familiar with those methods. I personally am not, and I have not had any report from him yet on how we should act in this matter.

Chairman PROXMIRE. Could you supply that for the record?

Mr. MOORE. Yes, I could.

(The information referred to follows:)

During the past year, the Bureau of Labor Statistics has participated in the inter-agency task force measuring productivity in the Federal executive branch. Two BLS staff members have been involved in establishing the data collection procedures, in suggesting the methodology for index construction, and in the actual construction of productivity and related indexes as well as the analysis of index trends.

The Bureau is presently reviewing the data used in the productivity study. Although we have participated in determining the methodology, we have begun to review in detail the techniques actually used to construct the various indexes.

The area of most concern requiring extensive analysis is the evaluation of the indicators used to measure output. These indicators should properly measure the end-products of organizations. Many outputs, such as investigations completed, mail delivered, kilowatt-hours produced, and coins minted appear to be acceptable as measures of final production. However, other indicators appear to measure intermediate outputs (e.g., computer programs maintained, management studies completed, and personnel actions completed). In these instances, the output measures will have to be re-examined for acceptability.

Some other areas requiring further study and improvement by the Bureau include:

1. Examining the possibility of developing alternate output measures in finer detail;
2. Developing appropriate adjustments for outputs with long production cycles; and
3. Investigating alternative estimates for output weights when outputs are introduced after the base year (the project team uniformly used the current year unit labor requirement).

We have requested additional resources in the fiscal 1973 budget for several projects, including funds for a detailed examination and analysis of the Federal productivity measurement project.

Chairman PROXMIRE. There was a recent editorial in a leading newspaper which indicated that wages were up just about as much in the first quarter of this year under the phase II as they had been in the period before the freeze began, and that productivity was up not quite as much, but labor costs were up precisely the same.

In other words, they increased both before and after controls by 3.6 percent. I'm referring to wages, productivity, and labor costs in the first quarter of 1972 and the first quarter of 1971; those were the comparable times.

In view of the critical importance of labor costs to controlling inflation—that is, the certainty that as long as labor costs are rising, prices

will rise—doesn't this indicate a lack of effectiveness, a lack of success, on the part of the inflation control program?

Mr. MOORE. The first quarter increase in productivity for the total private economy was at the annual rate of 2.1 percent, which is a relatively low rate. That rate was low in large part because of the decline in farm productivity; and if you exclude the farming sector and look at the private nonfarm sector, the rate of increase in output per man-hour in the first quarter was 3.7 percent.

Furthermore, if you exclude from the private nonfarm sector the noncorporate sector, the annual rate of increase in the first quarter was 7 percent. So what has happened to productivity in the first quarter depends to a very large extent on what sector of the economy you look at. Certainly for the corporate sector it was a very favorable showing in the first quarter.

Now, as a result of that showing for productivity in the first quarter, unit labor costs in the corporate sector went up 3.2 percent in the first quarter. That is, I think, a relatively favorable development in that sector with respect to cost and ought to have some bearing on the price situation as well.

Chairman PROXMIRE. Well, that's encouraging. But I think, once again, it's not a completely relevant statistic. The important thing is what's happening overall—and if you have labor costs increasing overall 3.6 percent, even though the major increases may be in the farm sector, in the noncorporate sector, maybe in small business—the fact is you have a system which for one reason or another, maybe it's not sufficiently comprehensive, but whatever it is, it's not working.

It's not getting results, and we're going to have inflation. This is the reason why you have the wholesale price index rising so sharply. It's true you can find areas in which performance is good, and I think that's an extraordinarily useful statistic that you gave us on the corporate sector, but, nevertheless, the overall picture is that it's not good enough. The results are inadequate.

Prices are going to rise. Housewives are going to have to pay more for what they buy.

Mr. MOORE. I think that one factor in the private sector versus the private nonfarm is that the farming sector changes in output are erratic, and while they may have been down in the first quarter, they may be up in the second quarter, and there will be variations in that number.

Chairman PROXMIRE. Well, they are erratic in all areas in our economy; 7 percent is not something you expect to continue very long. That's a sharp increase we've had in 1970. It's probably not going to continue that way next year, the year after, if the leading indicators we have talked about at the very beginning today are borne out as pessimistic.

Mr. MOORE. No. But 7 percent is certainly exceptionally high. There is no question about that.

But, over the year, the 5-percent increase from the first quarter of last year to the first quarter of this year is a more stable rate because it is over a longer interval, and that's a relatively high rate also, 5 percent.

Chairman PROXMIRE. I just have one other question and that's in the area of defense spending.

I am discouraged to hear very responsible people keep saying we must keep defense spending up and, indeed, increasing to prevent unemployment. Defense Secretary Laird made that point once more yesterday.

You are an economist and a student of the business cycle. Do you believe that we need to keep defense spending up to keep unemployment down?

Mr. MOORE. From my study of the history of this economy, Mr. Chairman, I would say no. It's perfectly possible to have a high level of employment in an economy with less spending in the area of defense than we now have.

Chairman PROXMIRE. Didn't we have a remarkable showing of that after World War II when we reduced defense spending dramatically?

We cut the number of people in the Armed Forces by 10 million. We reduced the defense spending from about 50 percent of gross national product to around 10 percent in a matter of 2 or 3 years and we did not have any increase in unemployment.

Mr. MOORE. Yes.

That is certainly a case in point. In fact, there is a more recent one—the fact that we have had an increase in employment during the past year of close to 3 million workers, while defense spending has been cut back, is another instance of the same sort.

Chairman PROXMIRE. Are you familiar with any administration planning to offset defense spending cuts with Federal increases elsewhere?

How about to stimulate private spending, for example?

Mr. MOORE. From what I've seen about the total budget, there seem to be plenty of substitutes for defense spending.

Chairman PROXMIRE. Well, thank you very much, sir. I have one question that is a technical question which I will put in the record. And you can answer that if you would when you correct your remarks. It relates to whether you want to follow the additive or multiplicative methods. It is so technical, I think it would be better if you gave it to us in writing and we can study it.

Mr. MOORE. With respect to what?

Chairman PROXMIRE. Two ways of seasonally adjusting labor force data: the additive method and the multiplicative method. I understand there's a controversy and you take a different view than other competent economists. We would like to have your reason for taking the multiplicative position.

(The following information was subsequently supplied for the record:)

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C., July 10, 1972.

HON. GEOFFREY H. MOORE,
Commissioner, Bureau of Labor Statistics,
Department of Labor, Washington, D.C.

DEAR COMMISSIONER MOORE: In testimony before the Committee last year, the Bureau of Labor Statistics attributed part of the decline in the unemployment rate from May to June to problems with seasonal adjustment. I understand that there are two basic ways of seasonally adjusting labor-force data—the additive method and the multiplicative method. Could you briefly explain for the Committee how each of these is calculated? BLS uses the multiplicative method at present. Has BLS studied the possibility of switching to the additive method? If any studies have been done, would you please make them available to the

Committee. We would particularly like to see how the additive method would have adjusted the numbers in previous years.

Sincerely,

JOHN R. STARK,
Executive Director.

U.S. DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D.C., August 3, 1972.

JOHN R. STARK,
Executive Director, Joint Economic Committee, Congress of the United States,
Washington, D.C.

DEAR MR. STARK: I am writing in further response to your letter of July 10 requesting information regarding the multiplicative and additive methods of seasonally adjusting unemployment data.

The multiplicative method of seasonal adjustment assumes that seasonality in a given month is proportional to the level of the series in that month, whereas the additive method assumes it is independent of the level. For example, unemployment in February is usually higher than in the rest of the year. By the multiplicative method an estimate is made of the percentage by which February normally exceeds the average for the year, and the February data are reduced by this percentage to obtain the adjusted data. By the additive method an estimate is made of the amount by which unemployment in February normally exceeds the rest of the year, and this amount is subtracted from the February data. The multiplicative method is far more widely used in seasonally adjusting economic data than the additive method. The latter has been used generally only when the data take on plus and minus values. In seasonally adjusting employment and unemployment, the BLS has consistently used the multiplicative method.

Nevertheless, we have made and are continuing to make studies of the additive method of seasonally adjusting unemployment as compared with the official (multiplicative) method. These studies have not been summarized in reports as yet. Our judgment at this time is that while in some respects the additive method is better, especially when the level of unemployment changes sharply, in other respects it is poorer than the official method. Some statistical tests we have made indicate that seasonality in unemployment exhibits more multiplicative influence than additive. Furthermore, the additive method has been subject to greater revisions in the past when the data have been re-seasonally adjusted. Our studies are not yet complete, but on the basis of the evidence available thus far we would not recommend any changes in the official methodology.

This question of comparative methods of seasonal adjustment keeps coming up from time to time and many studies have been made of it. Some ten years ago the Gordon Committee reached the conclusion that the multiplicative method was preferable to a "residual" method, which is a form of additive adjustment (see page 184 of *Measuring Employment and Unemployment*, President's Committee to Appraise Employment and Unemployment Statistics, September 27, 1962).

It should be noted that all methods of seasonal adjustment can only differ in the very short run, since they must each balance out over the calendar year. In other words, if one method shows seasonally-adjusted unemployment dropping sooner than another method, the second method will catch up with this drop after a few months.

The two seasonally-adjusted rates of unemployment are shown below for the first half of 1972:

SEASONALLY ADJUSTED UNEMPLOYMENT RATES

| 1972 | Official | Additive |
|---------------|----------|----------|
| January..... | 5.9 | 6.1 |
| February..... | 5.7 | 5.9 |
| March..... | 5.9 | 5.9 |
| April..... | 5.9 | 5.7 |
| May..... | 5.9 | 5.6 |
| June..... | 5.5 | 5.6 |

Note that both series reach about the same level in June, although the additive method shows the decline several months later.

For prior years these two series tend to converge and to show essentially the same cyclical movements. In most months the differences do not exceed one-tenth of a percentage point.

Sincerely yours,

GEOFFREY H. MOORE,
Commissioner.

MR. POPKIN. Could I just add one thing to the answer I gave you on the question about meat prices, and that is that I was just talking really about the direct effects that could enter the index through the availability of imported meat.

There could be some indirect effects; namely, the total supply available to consumers would be larger, and therefore the fact that consumers might be able to substitute foreign for domestic meat could have a downward effect on the prices of domestic meat itself.

Chairman PROXMIRE. I see. That's helpful.

So you'd have a bigger consumption, even though the price might drop as much as we discussed; the fact that you would have a substitution of that lower priced hamburger for a higher priced—is that what you had in mind?

MR. POPKIN. All things held constant, it would reduce the demand for domestic beef which could have a downward effect on the price of that domestic meat which is priced in the CPI.

Chairman PROXMIRE. Thank you very much.

The committee will stand in adjournment until next month at this time.

(Whereupon, at 12:05 p.m., the committee was adjourned, to reconvene subject to the call of the Chair.)

(The following letter was subsequently supplied for the record by Chairman Proxmire:)

COMMUNITY COUNCIL OF GREATER NEW YORK,
New York, N.Y., August 1, 1972.

HON. WILLIAM PROXMIRE,
*Chairman, Joint Economic Committee,
Congress of the United States, Washington, D.C.*

DEAR SENATOR PROXMIRE: The Community Council of Greater New York recently testified before the Joint Economic Committee on the Bureau of Labor Statistics' plans for publishing future reports based on data collected from the national expenditure survey now in process. We would like to thank the Committee for giving us this opportunity to express the continued need among health and welfare agencies for information on family living costs in this country. We are especially gratified by the thoughtful consideration which you as Chairman extended to us during our appearance before your Committee. Your concern for the special needs of the health and welfare community is deeply appreciated.

The Council has received a transcript of the remarks made by Geoffrey Moore, Commissioner of the Bureau of Labor Statistics, which followed our testimony and which bear on the subject of family budget data. We would like to comment on those remarks.

Commissioner Moore proposes to cease publication of family budgets which he dismisses as "hypothetical construction(s)" and replace them with "measures of actual expenditures, that is, the actual cost of living for families in different circumstances . . ." We agree that the Bureau can present a breakdown of the actual expenditures of families of specified size and income which will show how much they spent for food, clothing and other items. This is not a measurement of the cost of living, however. Expenditure data showing how families of four with an annual income of \$5000 spend their money will most likely reveal that their annual "cost of living" is \$5000. If their incomes were reduced to \$4000 per year, their "cost of living" would doubtless be correspondingly reduced.

The term "cost of living" is intrinsically connected with a concept of a living standard whether the standard be low, moderate or high. The living standard itself can be equated with a consumption level, with a list of goods and services of a specific quantity and quality, that represents the consumption typical of the given living standard. When an American worker speaks of the rise in the "cost of living" he means that it costs him more to maintain the same level of consumption that he previously enjoyed. The family budgets which the Bureau proposes to discard, were useful in measuring changes in the cost of maintaining a given level of living from year to year.

Another question, one that is central to many users of the Bureau's family budget data, is whether a family's income level is sufficient to purchase the goods and services essential for the maintenance of an adequate level of living. The expenditure data which Commissioner Moore proposes to develop would leave that question unanswered. The family budgets developed over the past years by the Bureau of Labor Statistics have included scientifically determined dietary and housing standards that allow us to determine whether a family has sufficient means to purchase nutritious food and sound housing. The proposed expenditure data will tell us how much money is spent by low income families for food and housing but will not tell us if these amounts are sufficient to maintain a nutritious diet or decent housing.

Commissioner Moore's comments that adequacy norms should be set by the "people who want norms set"—that is, by the users of the family budgets. It is precisely because the multitude of users—welfare agencies, hospitals, day care centers, labor unions and universities—will, of necessity, develop a multitude of budget standards and guides that we are asking the Bureau of Labor Statistics to continue to provide this service. It is hardly in the public interest that every labor union, every hospital and every welfare agency develop its own budget guide for determining the cost of an adequate level of living. Such a policy would be likely to result in budgets formulated to serve the special interests of the hospital, the union or the agency. The fact that the standard budgets were developed by an impartial and objective federal agency, with no special interest to serve, was crucial in facilitating the wide acceptance the budgets have received from a large and heterogenous group of users.

The development of standard budgets by the Bureau of Labor Statistics in the mid-1940's was initiated after Congress directed that agency "to find out what it costs a worker's family to live in the large cities of the United States." The need to know what it costs an American worker's family to live is hardly less vital today than it was thirty years ago. In fact, the need is not for *less* information on the cost of living, but for more—we need family budgets not only for retired couples and four-person families living in cities but for female-headed families, rural families and for families with two wage-earners.

Historically, the Bureau of Labor Statistics has served the American public as a responsive and flexible agency, committed to meeting important needs for information on living costs in this country. We ask the Bureau not to depart from this traditional role of service. We urge the Bureau not to repudiate the important work on family budgets done over the past three decades, not to tell the American public that the work they have been doing for thirty years is really "not . . . the function" of the Bureau of Labor Statistics.

Once again we want to thank the Joint Economic Committee for giving us the opportunity to state our position on this important issue. We hope the Committee will join with us in demonstrating that the need for information on living costs is as important today as it ever was and that the development of family budget data remains an appropriate and vital function of the Bureau of Labor Statistics.

Sincerely yours,

HOWARD A. SEITZ,
President.

CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, AUGUST 4, 1972

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10:05 a.m., in room 1202, New Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senators Proxmire and Javits; and Representative Moorhead.

Also present: John R. Stark, executive director; Richard F. Kaufman and Courtenay M. Slater, economists; Lucy A. Falcone and Jerry J. Jasinowski, research economists; and Leslie J. Bander, minority economist.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

This morning, we have a doubleheader. The first part of our hearing begins right away and the second will begin at 11 o'clock. The second will be on the unemployment statistics, the latest on employment statistics for our entire country. But before that, we have invited two experts on the labor statistics in Puerto Rico to discuss their unemployment program.

Today the committee has invited two experts on the labor situation in Puerto Rico to discuss their unemployment problems. Puerto Rico has an overall unemployment rate of over 11 percent and the rate ranges up to 17 percent in some of its cities. Our witnesses this morning are most qualified to address Puerto Rico's unemployment dilemma. Mrs. Julia Rivera de Vincenti, who will soon receive a Ph. D. in collective bargaining from Cornell University, is the Secretary of Labor in Puerto Rico. She is the first woman ever appointed to the Cabinet. Mrs. Julia Rivera de Vincenti has a family history of involvement in labor relations. Her father, in association with Samuel Gompers, helped organize the union movement in Puerto Rico.

Our second witness is Mr. Hubert Barton, president of the Puerto Rico Development Group. Mr. Barton has worked as an economist both inside and outside of government. As director of research for the Puerto Rico Legislature, the Economic Development Administration, and the Puerto Rico Planning Board, he gained valuable insights into Puerto Rico's economy and labor market.

I had a chance to visit Puerto Rico a few months ago and was tremendously impressed, as I am sure everybody who goes to Puerto Rico is, by the beauty of what some feel is the closest thing to paradise

on earth. But I was impressed by the imagination and vigor, and the intelligence, going into developing a viable, balanced economy in Puerto Rico. The problems are severe because Puerto Rico has to import an overwhelming amount of what it has in its growth products and is extraordinarily dependent on outside sources. And it has, as I say, a very, very heavy rate—what we consider in this country to be a real depression rate—of unemployment.

So, why don't we start right off with Mrs. de Vincenti? Would you like to begin?

Mrs. DE VINCENTI. Certainly.

Chairman PROXMIRE. I might want to say that we want to be as gracious as we can; you have always been so gracious to us, but we do have a rule in our committee of 10 minutes for each witness and we have a little buzzer that goes off at the end of 10 minutes, so you know when your time is up. And then we will get into the questioning.

STATEMENT OF HON. JULIA RIVERA de VINCENTI, SECRETARY OF LABOR, COMMONWEALTH OF PUERTO RICO; ACCOMPANIED BY MIGUEL PRÓSPERO, DIRECTOR, BUREAU OF LABOR STATISTICS; AND MIGUEL GUARDIOLA, DIRECTOR, DIVISION OF RESEARCH AND STATISTICS, BUREAU OF EMPLOYMENT SECURITY

Mrs. DE VINCENTI. Honorable chairman and distinguished members of this committee, my name is Julia Rivera de Vincenti and I am the Secretary of Labor of the Commonwealth of Puerto Rico.

I appreciate the opportunity of presenting before you the procedure for measuring employment and unemployment in Puerto Rico and the significant differences which exist between our statistics and those of the Bureau of Census. Of course, I will try to answer whatever questions you may have on the matter, with assistance from Messrs. Miguel Próspero, on my right, Director of our Bureau of Labor Statistics, and Miguel Guardiola, Director of the Division of Research and Statistics of our Bureau of Employment Security.

The Puerto Rican Bureau of Labor Statistics was established in 1944. Its major function has been the collecting of data to prepare most of the labor statistics in Puerto Rico. Since 1947, the Bureau undertakes a survey based on a sampling of households representing a cross section of the island's population. Since 1962, the survey is carried out on a monthly basis.

Every 10 years the sample is updated on the basis of the data supplied by the Census Bureau. In addition to the assistance of the Bureau of the Census, we also receive cooperation from the Federal Bureau of Labor Statistics. Their advice has been helpful in improving the reliability of our employment and unemployment statistics. We are most grateful for this cooperation.

At present, our sample consists of 6,200 households. A fixed reference week is used; namely, the one containing the 12th of each month. The survey is then carried out during the week following the reference week. Questions regarding each household member 14 years old and over are asked in order to ascertain if they are employed, unemployed, or not in the labor force. Other questions concerning occupation, type of industry, hours worked, and other characteristics are also asked.

The preparation of the employment and unemployment statistical

series and survey methods and concepts used are basically the same as those used on the mainland survey. However, we would like to point out the two most important differences in concept:

1. On the mainland, the unemployed worker must have sought employment at any time within the 4-week period prior to the week in which the interview is conducted. In Puerto Rico, persons are classified as unemployed if they had actively looked for work during the reference week.

Chairman PROXMIRE. So, your definition?

Mrs. DE VINCENTI. Very strict.

Chairman PROXMIRE. You require they look for work during the preceding week, not just during the preceding month?

Mrs. DE VINCENTI. Exactly.

2. The Puerto Rican survey includes all persons 14 years old and over. In the United States, persons 16 years old and over are included.

The figures obtained in the Puerto Rico survey are adjusted to an independent estimate of the population by age and sex in order to obtain the estimates of employment and unemployment. The Division of Demographic Registry and Statistics of the Puerto Rico Department of Health prepares estimates of the civilian noninstitutional population 14 years old and over, by age and sex. These estimates are based on the age and sex distribution of the population of Puerto Rico as determined by the Decennial Census of Population, after taking into account the changes which have occurred due to the following: Persons becoming 14 years old, deaths, net migration, and net enrollment in the Armed Forces.

The U.S. 1970 census of population reflected some figures on employment and unemployment which differ significantly from the estimates of the Puerto Rico Bureau of Labor Statistics survey. In 1950 and 1960, similar differences occurred.

To further explain this statement, I will quote from the "Census of Population 1960—U.S. Summary—General Social and Economic Characteristics," published by the U.S. Department of Commerce Bureau of the Census:

Certain differences exist between the levels of the national data from the current population survey and from the 1960 and 1950 censuses. The reason for the differences include the more extensive training, control, and experiences of the current population survey (CPS) and of piece-rate payments (with a consequent premium on speed) in the census differences in the extent to which self-enumeration is used; differences in the question working on some of the items, in the time of the year to which the date apply (as for the annual school enrollment figures collected in the October CPS); differences in the methods used to process the original data into statistical tables; differences in the weighting procedure and in noninterview rates; and differences between the sampling variability in the current population survey (CPS) and in the 25-percent sample in the census.

It is accepted, then, that there are differences between the figures published by the Census and those of the Bureau of Labor Statistics. According to the quotation I have just read, the primary source of discrepancy is the lack of experience and training of the census enumerators, as compared to the relatively small and well-trained group of the current population survey.

Based on this statement from the Census Bureau, we have prepared a chart with the Census and the Puerto Rico Bureau of Labor Statistics figures for 1950, 1960, and 1970. This and other charts are in-

cluded at the end of the prepared statement. Please note that, for the United States as a whole, the differences are not as large as for Puerto Rico. According to the 1970 census, there were 37,000 persons unemployed in Puerto Rico, 16 years old and over, in April 1970.

Chairman PROXMIRE. So the orange column is unemployment in Puerto Rico, is that correct?

Mr. GUARDIOLA. Bureau of the Census, Bureau of Labor Statistics, Puerto Rico.

Mrs. DE VINCENTI. You see, there is a great difference between the figures on unemployment of the Bureau of the Census and our Bureau of Labor Statistics. As we see in this graph, in 1950 and in 1970 the figures published by the Bureau of the Census are less than one-half of those estimated by the BLS. According to the Census, there were only 37,000 unemployed persons in Puerto Rico in 1970 as compared to 87,000 from BLS estimates, a difference of 50,000. In 1950 and 1960, the total unemployment for Puerto Rico according to the Census was 32,000 and 34,000 respectively. The Bureau of Labor Statistics estimates for the same years are 82,000 for 1950 and 56,000 for 1960.

According to the Census, the unemployment rate for April 1970 was 5.6 percent, and according to the Puerto Rico Bureau of Labor Statistics was 10.6 percent. We sure would like to have an unemployment rate of 5.6 percent, but for the moment this is not realistic.

The Commonwealth of Puerto Rico is changing gradually from a nonindustrial economy. Our goal is to reach the lowest unemployment rate as soon as possible. This could be feasible, as expressed by our Governor, Luis A. Ferré, within the next 5 years. To obtain our goal, we are devoting all our efforts to develop as many jobs as our economy allows. To reach a low unemployment rate, some 150,000 additional jobs will have to be created within the next 5 years.

By Puerto Rican standards, since our unemployment rate has fluctuated between 10 and 13 percent during the last decade, a 5-percent unemployment-rate goal would not only be acceptable but also realistic. To reach this goal, our Government has devised a plan that would make feasible the creation of the already mentioned 150,000 new jobs during the next 5 years.

The plan calls for the creation of government jobs at all entry levels, to reinforce existing services, and to offer services in far-reaching programs sponsored by our administration. On the other hand, the private sector is expected to develop extensively in construction, manufacturing, tourism, and personal services.

A unique way of fostering private industry is expected to come about when the Heritage for Progress—a program making the workers coowners in the private enterprise through the acquisition of shares—becomes a reality.

Along with this, our Economic Development Administration will continue promoting the establishment of industries in Puerto Rico and offering them its tax-exemption program which allows firms to receive 10, 12, 15, or 17 years of State tax exemption, depending on the area where the plant is established.

Although dozens of factories have been promoted year after year, many of them have phased out as a result of the economic situation on the mainland and the competition of foreign goods. But I will not go into details because you know them.

However, the industrial development we seek cannot be fully achieved unless we have a skilled labor force. This is why we insist continuously in our demand for additional Federal Government programs aimed to diminish unemployment. We feel that the only way to fight unemployment is to provide much needed skills for our labor force. Therein lies the great faith we have in the human resources development programs.

Our economic system has not been able as yet to provide enough jobs for those who have been part of the labor force for a number of years, or for those who are newly entering the labor force. There is, however, something common to both types of unemployed persons: both lack the new skills necessary to compete in the highly sophisticated techniques of modern industry.

It is our policy to create conditions, opportunities, and incentives through which individuals can develop their skills and strive for higher levels of education.

Chairman PROXMIRE. You have another minute or two if you would like to summarize.

Mrs. DE VINCENTI. May I just say something about our work force?

Chairman PROXMIRE. All right.

Mrs. DE VINCENTI. Puerto Rico has a very dynamic labor force. Since 1950, the labor force has undergone significant changes, not only in absolute numbers but also in composition. New industries have created new types of occupations. In 1950, there were 704,000 persons in the labor force. By 1960, our labor force declined by 67,000 to a level of 638,000 persons, representing a drop of 9.4 percent during the decade.

By 1970, our labor force had increased to 843,000, an increase of 32.1 percent from the 1960 figure. For fiscal year 1972, it had grown to 891,000 persons. This rate of increase has made our labor force one of the most rapidly growing labor forces in the Western World, including the continental United States.

And there you have some of the basis of our unemployment, other than the fact that we have been having reverse migration for the first time during the years 1971 and 1972, and the fact that unemployment is among our young people: the jobless rate of males 14 to 19 years old was 30.5 percent; and for the 20- to 24-year-olds, 21 percent.

Puerto Rico workers who for many years lived on the mainland are now returning to the island. This is a reflection of the recessionary period on the mainland. We are also receiving an average of 300 Vietnam era veterans who are returning home monthly. Many of them are looking for work, with no real skills.

Generally speaking, Puerto Rico's labor force is becoming better educated. But there is evidence that occupational requirements of the island's economy are changing and will continue to do so as a result of both the differential growth rates of the industries and the technological development affecting the occupational requirements of each industry.

In tune with this, both our department of labor and the department of education have developed plans to coordinate our efforts and to expand public facilities in order to meet the vocational and techni-

cal expectations of our youth and the needs of our industrial development.

Chairman PROXMIRE. Without objection, your entire prepared statement will be printed in full in the record.

Mrs. DE VINCENTI. Beg your pardon?

Chairman PROXMIRE. Your entire prepared statement will be printed in full in the record because you had to skip over parts of it.

(The prepared statement of Mrs. de Vincenti follows:)

PREPARED STATEMENT OF HON. JULIA RIVERA DE VINCENTI

Honorable Chairman and distinguished members of this Committee, my name is Julia Rivera de Vincenti and I am the Secretary of Labor of the Commonwealth of Puerto Rico.

I appreciate the opportunity of presenting before you the procedure for measuring employment and unemployment in Puerto Rico and the significant differences which exist between our statistics and those of the Bureau of the Census. Of course, I will try to answer whatever questions you may have on this matter, with the assistance of Messrs. Miguel Próspero, director of our Bureau of Labor Statistics and Miguel Guardiola, director of the Division of Research and Statistics of our Bureau of Employment Security.

On January, 1969, I was appointed Secretary of Labor of the Commonwealth of Puerto Rico. For many years before that, I served as Professor in the Faculty of Social Sciences of the University of Puerto Rico. I have been connected with workers and labor problems since childhood. My father was a pioneer in the labor movement on the island and was appointed the first Commissioner of Labor when a separate government agency was created back in 1931; I taught labor courses at the University and I have also served as consultant for labor unions. Today, as Secretary of Labor of Puerto Rico, I can be proud of our staff since from the Secretary down we are all engaged in serving our people through our complete dedication to serving the workers.

The Puerto Rican Bureau of Labor Statistics was established in 1944. Its major function has been the collecting of data to prepare most of the labor statistics in Puerto Rico. Since 1947 the Bureau undertakes a survey based on a sampling of households representing a cross section of the island's population. Since 1962 the survey is carried out on a monthly basis.

Every ten years the sample is updated on the basis of the data supplied by the Census Bureau. In addition to the assistance of the Bureau of the Census, we also receive cooperation from the Federal Bureau of Labor Statistics. Their advice has been helpful in improving the reliability of our employment and unemployment statistics. We are most grateful for this cooperation.

At present, our sample consists of 62-hundred (6,200) households. A fixed reference week is used, namely the one containing the twelfth of each month. The survey is then carried out during the week following the reference week. Questions regarding each household member 14 years old and over are asked in order to ascertain if they are employed, unemployed, or not in the labor force. Other questions concerning occupation, type of industry, hours worked and other characteristics are also asked.

The preparation of the employment and unemployment statistical series and the survey methods and concepts used, are basically the same as those used on the mainland survey. However, we would like to point out the two most important differences in concept:

1. On the mainland, the unemployed worker must have sought employment at any time within the four-week period prior to the week in which the interview is conducted. In Puerto Rico, persons are classified as unemployed if they had actively looked for work during the reference week.

2. The Puerto Rican survey includes all persons 14-years old and over. In the United States, persons 16-years old and over are included.

The figures obtained in the Puerto Rico survey are adjusted to an independent estimate of the population by age and sex in order to obtain the estimates of employment and unemployment. The Division of Demographic Registry and Statistics of the Puerto Rico Department of Health prepares estimates of the Civilian Noninstitutional Population 14-years old and over, by age and sex. These estimates are based on the age and sex distribution of the population of

Puerto Rico as determined by the Decennial Census of Population, after taking into account the changes which have occurred due to the following: persons becoming 14 years old, deaths, net migration and net enrollment in the Armed Forces.

The United States 1970 Census of Population reflected some figures on employment and unemployment which differ significantly from the estimates of the Puerto Rico Bureau of Labor Statistics Survey. In 1950 and 1960 similar differences occurred.

To further explain this statement, I will quote from the Census of Population 1960—U.S. Summary—General Social and Economic Characteristics, published by the U.S. Department of Commerce Bureau of the Census:

“Certain differences exist between the levels of the national data from the Current Population Survey and from the 1960 and 1950 censuses. The reason for the differences include the more extensive training, control and experiences of the Current Population Survey (C.P.S.) and of piece-rate payments (with a consequent premium on speed) in the Census differences in the extent to which self enumeration is used, differences in the question working on some of the items, in the time of the year to which the data apply (as for the annual school enrollment figures collected in the October C.P.S.); differences in the methods used to process the original data into statistical tables, differences in the weighing procedure and in noninterview rates; and differences between the sampling variability in the Current Population Survey (C.P.S.) and in the 25 per cent sample in the Census”.

It is accepted, then, that there are differences between the figures published by the Census and those of the Bureau of Labor Statistics. According to the quotation I have just read, the primary source of discrepancy is the lack of experience and training of the census enumerators, as compared to the relatively small and well trained group of the Current Population Survey.

Based on this statement from the Census Bureau we have prepared a chart with the Census and the Puerto Rico Bureau of Labor Statistics figures for 1950, 1960 and 1970. (This and other charts are included at the end of this statement.) Please note that for the United States as a whole, the differences are not as large as for Puerto Rico. According to the 1970 Census there were 37-thousand (37,000) persons unemployed in Puerto Rico, 16-years old and over, in April 1970. For the same month there were eighty-seven-thousand (87,000) unemployed persons according to estimates prepared by the Commonwealth Bureau of Labor Statistics.

Data from the Research and Statistics Division of the Bureau of Employment Security, showed thirty-three-thousand (33,000) persons claiming unemployment insurance in Puerto Rico during April, 1970.

According to the Census the unemployment rate for April, 1970, was 5.6 per cent, and according to the Puerto Rico Bureau of Labor Statistics was 10.6 per cent. We sure would like to have an unemployment rate of 5.6 per cent, but for the moment this is not realistic.

The Commonwealth of Puerto Rico is changing gradually from a nonindustrial to an industrial economy. Our goal is to reach the lowest unemployment rate as soon as possible. This could be feasible, as expressed by our Governor Luis A. Ferré, within the next five (5) years. To attain our goal we are devoting all our efforts to develop as many jobs as our economy allows. To reach a low unemployment rate, some one-hundred and fifty-thousand (150,000) additional jobs will have to be created within the next five (5) years.

By Puerto Rican standards, since our unemployment rate has fluctuated between 10 and 13 per cent during the last decade, a five (5) per cent unemployment rate-goal would not be only acceptable but also realistic. To reach this goal our government has devised a plan that would make feasible the creation of the already mentioned one-hundred and fifty-thousand (150,000) new jobs during the next five years.

The plan calls for the creation of government jobs at all entry levels, to reinforce existing services and to offer services in far reaching programs sponsored by our Administration. On the other hand, the private sector is expected to develop extensively in construction, manufacturing, tourism and personal services.

A unique way of fostering private industry is expected to come about when the “Heritage for Progress”—a program making the workers co-owners in private enterprise through the acquisition of shares—becomes a reality.

Along with this, our Economic Development Administration will continue promoting the establishment of industries in Puerto Rico and offering them its tax exemption program which allows firms to receive 10, 12, 15 or 17 years of state tax exemption depending on the area where the plant is established.

Although dozens of factories have been promoted year after year, many of them have phased out as a result of the economic situation on the mainland and the competition of foreign manufactured goods. But I will not go into details because you know them.

However, the industrial development we seek cannot be fully achieved unless we have a skilled labor force. This is why we insist continuously in our demand for additional Federal Government programs aimed to diminish unemployment. We feel that the only way to fight unemployment is to provide much needed skills for our labor force. Therein lies the great faith we have in the human resources development programs.

Our economic system has not been able as yet to provide enough jobs for those who have been part of the labor force for a number of years, or for those who are newly entering the labor force. There is, however, something common to both types of unemployed persons: both lack the new skills necessary to compete in the highly sophisticated techniques of modern industry.

It is our policy to create conditions, opportunities and incentives through which individuals can develop their skills and strive for higher levels of education.

Puerto Rico has a very dynamic labor force. Since 1950, the labor force has undergone significant changes, not only in absolute numbers but also in composition. New industries have created new types of occupations. In 1950 there were seven-hundred-four-thousand (704,000) persons in the labor force. By 1960 our labor force declined by sixty-seven-thousand (67,000) to a level of six-hundred and thirty-eight-thousand (638,000) persons, representing a drop of nine-point-four (9.4) per cent during the decade.

By 1970 our labor force had increased to eight-hundred and forty-three-thousand (843,000), an increase of 32.1 per cent from the 1960 figure. For fiscal year 1972 it had grown to eight-hundred and ninety-one-thousand (891,000) persons. This rate of increase has made our labor force one of the most rapidly growing labor forces in the Western World, including the continental United States.

This enormous increase in the labor force—two-hundred and nine-thousand (209,000) persons from 1950 to June, 1972—along with the new factor of a net immigration estimated at 37-thousand (37,000) persons last fiscal year alone, have created a great number of jobless persons on the island. Even though total employment increased by 40 per cent between 1960 and 1972, it has not been enough to offset the growth in the labor force and has resulted in an increase in the unemployment level, although it still remains between the 10 and 13 per cent registered during the last decade.

Another factor which may have direct impact on our unemployment level, is at present under the consideration of Congress. I am referring to federal minimum wages.

Traditionally, due to the recognition of differences between our economic structure and economic conditions on the mainland, Congress has allowed for the operation of review committees in Puerto Rico. Those committees have been setting the minimum wages that our industries can absorb.

The continued operation of the review committees has contributed to keep unemployment within the 10 and 13 per cent levels during the past ten years in spite of the tremendous growth of our labor force. If this mechanism disappears, it is our belief that our efforts to promote new industries could be greatly hampered while at the same time affecting existing industries which are considering expansion plans that would create additional employment opportunities. Review committees have been a key factor in the increase registered in the average hourly earnings for manufacturing from \$.89 (eighty-nine cents) in 1960, to \$1.71 in April 1970 and to \$1.97 in April 1972.

Agriculture, on the other hand, has been dealt with on a different basis. At present, due to special legislation approved in 1969 to raise the standard of living of agricultural workers and to be able to retain said workers close to their source of employment while at the same time offering them an incentive, we are guaranteeing an hourly income of \$1.05 by 1972 through supplementary payments made by our government. This supplementary payment is an official governmental recognition of the substantially different economic conditions pre-

vailing in the agricultural sector. Our aim is to rehabilitate said sector towards its achieving a self sustaining level.

For the sugar cane sector alone, in 1969 our government also sponsored special legislation granting \$100 million to uplift and rehabilitate said sector in order to stop the until then accelerated yearly decrease in its production and gradually return the output of said sector to competitive levels.

Our goal is to have our workers earning the federal minimum wage and the highest wages possible as soon as economic conditions on the island allow for it, without creating additional unemployment. The best income a worker can have is the income he actually has in view of the economic structure in which both workers and industry operate, not the income an unemployed person could have if there was a job available.

If Congress ignores the special requirements of Puerto Rico at this point, it would have to assume the responsibility of having imported additional unemployment to the island. It is the belief of our Administration that the operation of the existing mechanisms along with the efforts of our labor movement, has been beneficial to our workers and to our economy, without adding to the prevailing unemployment rate in Puerto Rico.

Unemployment on the island, is more severe among young people. The jobless rate of males 14 to 19 years old in 1971 was 30-point-five (30.5) per cent and for the 20 to 24 years old, 21-point-one (21.1) per cent. The total unemployment rate for males was 12-point-three (12.3) per cent in that year. Among the young females, 14 to 19 years old, the unemployment rate was 28-point-zero (28.0) per cent and the overall unemployment rate for women was eleven-point-one (11.1) per cent.

Puerto Rican workers who for many years lived on the mainland are now returning to the island. This is a reflection of the recessionary period on the mainland. We are also receiving an average of 300 Vietnam era veterans who are returning home monthly. Many of them are looking for work with no real skills.

Generally speaking, Puerto Rico's labor force is becoming better educated. But there is evidence that occupational requirements of the island's economy are changing and will continue to do so as a result of both the differential growth rates of the industries and the technological development affecting the occupational requirements of each industry.

In tune with this, both our Department of Labor and the Department of Education have developed plans to coordinate our efforts and to expand public facilities in order to meet the vocational and technical expectations of our youth and the needs of our industrial development.

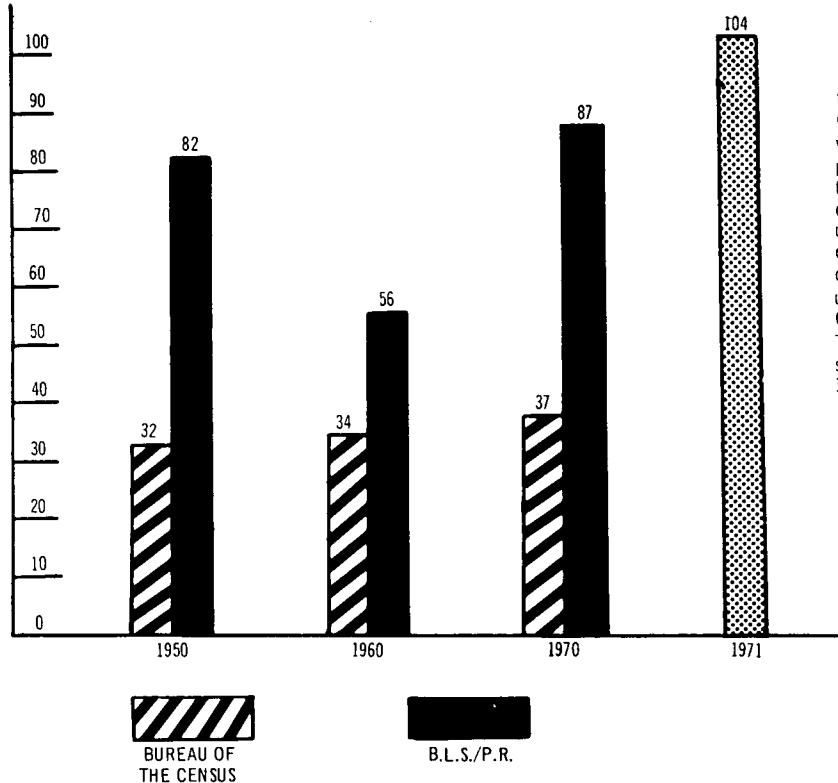
The potential labor force will be subject to the impact of greater changes in our economic structure and to new job requirements. Automation and technological changes will continue transforming the occupational composition of our labor force to a higher degree demanding more educated people and higher skills to be able to enter and compete in the labor-market.

I am submitting herewith copies of the publication Employment and Unemployment in Puerto Rico for calendar year 1971 and for the month of May, 1972, which are the latest official publications. You will find there the general characteristics of our labor force. I am also including, for the record, some statistical tables and graphs which reflect my presentation.

I am sure that we can count with your continued assistance in our efforts to fight unemployment on a thorough and permanent basis.

Thank you.

TOTAL UNEMPLOYMENT
 PUERTO RICO 1950, 1960 AND 1970
 (NUMBER IN THOUSANDS)



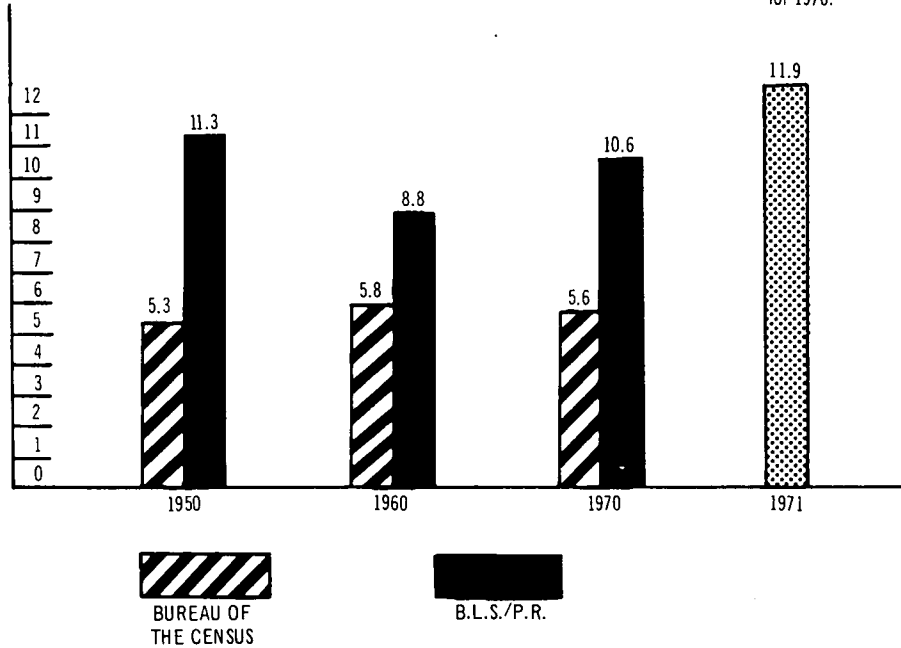
Unemployment

There is a great difference between the figures on unemployment of the Bureau of the Census and our Bureau of Labor Statistics. As we see in this graph in 1950 and 1970 the figures published by the Bureau of the Census are less than one half of those estimated by B.L.S. According to the Census there were only 37,000 unemployed persons in Puerto Rico in 1970 compared to 87,000 from B.L.S. estimates, a difference of 50,000. In 1950 and 1960 total unemployment for Puerto Rico according to the Census was of 32,000 and 34,000 respectively. The Bureau of Labor Statistics estimates for the same years are: 82,000 for 1950 and 56,000 for 1960.

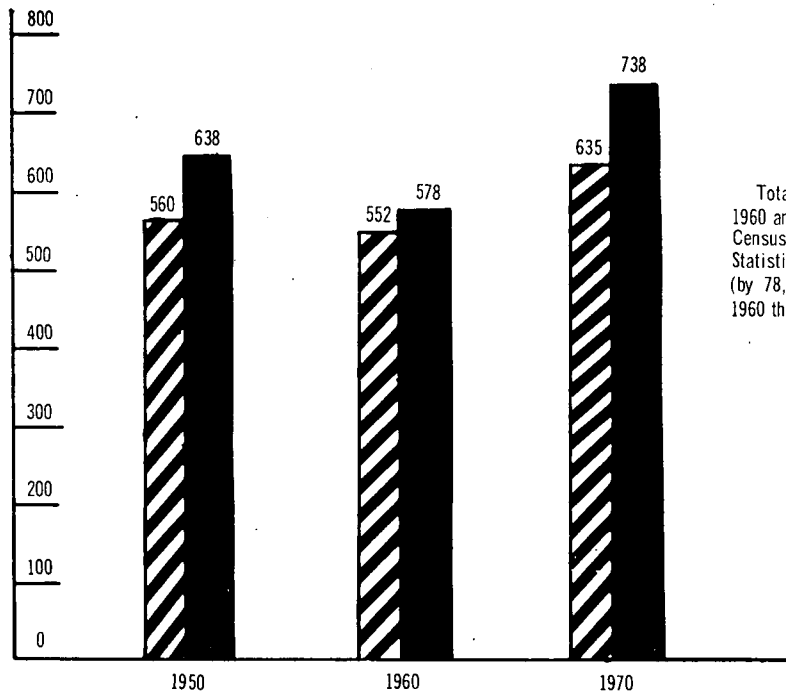
RATE OF UNEMPLOYMENT
 PUERTO RICO 1950, 1960 AND 1970
 (AS PERCENT OF THE LABOR FORCE)

Rate of Unemployment

According to the Bureau of the Census our unemployment rates were 5.3% for 1950, 5.8% for 1960 and 5.6 percent for 1970. The estimates published by our Bureau of Labor Statistics are 11.3% for 1950, 8.8% for 1960 and 10.6 percent for 1970.



TOTAL EMPLOYMENT
PUERTO RICO 1950, 1960 AND 1970
(NUMBER IN THOUSANDS)



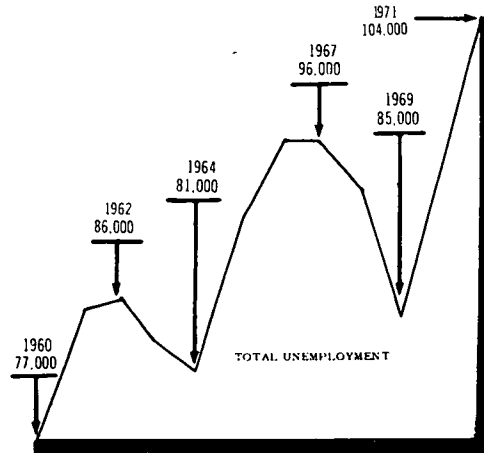
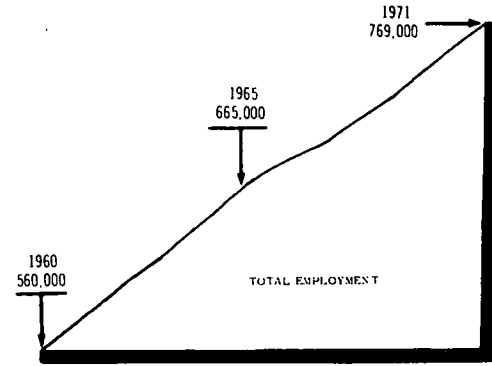
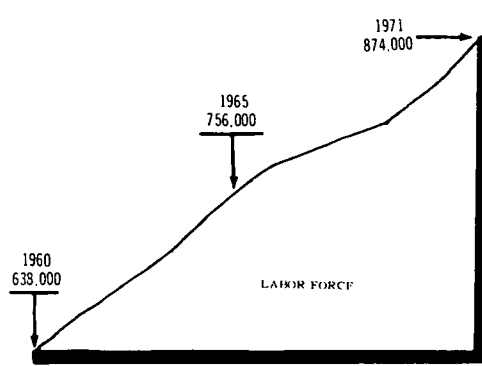

BUREAU OF
THE CENSUS


B.L.S./P.R.

Employment

Total employment figures of the years 1950, 1960 and 1970 as published by the Bureau of the Census and the Commonwealth Bureau of Labor Statistics differs substantially in 1950 and 1970 (by 78,000 in 1950 and by 99,000 in 1970). In 1960 the difference was of only 26,000.

LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
PUERTO RICO - Calendar Years - 1960 to 1971



Chairman PROXMIRE. Mr. Barton, go right ahead.

Mrs. DE VINCENTI. I neglected to say I am also submitting publications on employment and unemployment in Puerto Rico for calendar years 1970-71 and for the month of May of 1972.

Chairman PROXMIRE. All right. Fine.

(The publications follow:)

Estado Libre Asociado de Puerto Rico - The Commonwealth of Puerto Rico
DEPARTAMENTO DEL TRABAJO - DEPARTMENT OF LABOR
Julia Rivera de Vincenti - Secretaria - Secretary

EMPLEO Y DESEMPLEO EN PUERTO RICO
Años Naturales 1970 y 1971

EMPLOYMENT AND UNEMPLOYMENT IN PUERTO RICO
Calendar Years 1970 and 1971

Informe Especial Número 71-2E Sobre el Grupo Trabajador
Special Labor Force Report Number 71-2E

NEGOCIADO DE ESTADISTICAS DEL TRABAJO - BUREAU OF LABOR STATISTICS
Rubén A. Vilches - Director
DIVISION DE ESTADISTICAS SOBRE EL GRUPO TRABAJADOR - LABOR FORCE STATISTICS DIVISION
Miguel A. Próspero Altiery - Jefe - Chief
Febrero de 1972 - February, 1972

C_O_N_T_E_N_I_D_O

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C_O_N_T_E_N_T_S

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Empleo y Desempleo en Puerto Rico
Promedios para los años naturales 1971 y 1970

Este informe resume, en forma de promedios para años naturales los resultados de las encuestas mensuales sobre el grupo trabajador civil realizadas por el Negociado de Estadísticas del Trabajo.

A continuación se discuten brevemente los resultados principales de las encuestas y en las tablas que siguen se presenta información detallada sobre las características del grupo trabajador para los años naturales 1971 y 1970.

Población Civil No Institucional

La población civil no institucional de 14 años o más en el año natural 1971 se estimó en 1,867,000 personas, o sea, 53,000 más que en el año natural 1970 (1,813,000).

Grupo Trabajador Civil

El grupo trabajador civil en el año natural 1971 ascendió a 874,000 personas, o sea, 3.7 por ciento mayor que en el año natural 1970 (843,000).

En el año natural 1971 las tasas de participación^{1/} fueron 67.1 para los varones y 27.6 para las mujeres. Las tasas correspondientes para el 1970 fueron 67.1 y 27.1.

^{1/} Por ciento de personas de 14 años y más que estaban en el grupo trabajador.

Employment and Unemployment in Puerto Rico
Averages for calendar years 1971 and 1970

This report summarizes, by means of averages for calendar years the results of the monthly labor force surveys carried out by the Bureau of Labor Statistics.

A brief summary of the highlights follows, and the accompanying tables present detailed information on the characteristics of the labor force for calendar years 1971 and 1970.

Civilian Noninstitutional Population

The civilian noninstitutional population 14 years old and over for calendar year 1971 was estimated at 1,867,000 persons, that is, 53,000 more than in calendar year 1970 (1,813,000).

Civilian Labor Force

The civilian labor force in calendar year 1971 amounted to 874,000 persons, that is, 3.7 percent higher than in calendar year 1970 (843,000).

The participation rates^{1/} for calendar year 1971 were 67.1 for males and 27.6 for females. The corresponding rates for 1970 were 67.1 and 27.1.

^{1/} Percent of persons 14 years old and over that were in the labor force.

Estado de Empleo para las Personas de 16 a 21 años

El grupo trabajador civil para las edades de 16 a 21 años en el año natural 1971 fue de 118,000 (86,000 empleados y 32,000 desempleados). La cifra correspondiente para el año natural 1970 fue de 111,000 (80,000 empleados y 31,000 desempleados).

La tasa de desempleo para este grupo de personas fue 27.5 por ciento para el año 1971 y 27.6 para el 1970.

De las 230,000 personas de 16 a 21 años que estaban fuera del grupo trabajador en 1971, alrededor del 27 por ciento se dedicaban a oficios domésticos en sus hogares, el 60 por ciento estaban en la escuela y el uno por ciento estaban incapacitados para trabajar. Del restante 12 por ciento, la mayoría estaban ociosos.

Características de los EmpleadosEmpleo Total

El empleo total en el año natural 1971 ascendió a 769,000 personas, o sea, tres por ciento mayor que en el año natural 1970 (748,000).

De las 731,000 personas que informaron haber trabajado en el año natural 1971, el 78 por ciento trabajó 35 horas o más a la semana y el 22 por ciento trabajó menos

Employment Status of Persons 16 to 21 years old

The civilian labor force of persons from 16 to 21 years old for calendar year 1971 was 118,000 (86,000 employed and 32,000 unemployed). The corresponding figure for calendar year 1970 was 111,000 (80,000 employed and 31,000 unemployed).

The unemployment rate for this group of persons was 27.5 for the year 1971 and 27.6 for 1970.

Of the 230,000 persons 16 to 21 years old not in the labor force in 1971, about 27 percent were engaged in housekeeping, 60 percent were at school, and about one percent were unable to work. Most of the remaining 12 percent were idle.

Characteristics of the EmployedTotal Employment

Total employment for calendar year 1971 amounted to 769,000 persons, that is, three percent higher than in calendar year 1970 (748,000).

Seventy eight percent of the 731,000 persons reported as "at work" in calendar year 1971 worked 35 hours or more a week and 22 percent worked less than 35 hours.

Habia 38,000 personas "con empleo pero no trabajando" (ausentes temporalmente del trabajo por vacaciones, enfermedad, etc.).

Empleo No Agrícola

En el año natural 1971 había 706,000 personas empleadas en las industrias no agrícolas en comparación con 676,000 personas en el 1970. Esto representa un aumento de 4 por ciento.

Empleo Agrícola

En el año natural 1971 el empleo agrícola total ascendió a 63,000 personas, o sea, 12.0 por ciento menos que en el año 1970 (72,000).

Hubo reducciones de empleo en las fincas de caña (4,000), y en "otras fincas" (piña, ganadería, frutos menores, etc.) (2,000). El empleo en las fincas de tabaco y en las fincas de café no registró cambios de importancia.

Empleo por Nivel Educativo

Durante el año natural 1971, el nivel educacional mediano de las 769,000 personas empleadas era 10.1 años. La cifra correspondiente para 1970 fue 9.6 años.

There were 38,000 persons "employed but not at work" (temporarily absent from work due to vacation, sick leave, etc.).

Nonagricultural Employment

In calendar year 1971 there were 706,000 persons employed in nonagricultural industries as compared to 676,000 persons in 1970. This represents an increase of 4 percent.

Agricultural Employment

In calendar year 1971 total agricultural employment amounted to 63,000 persons, that is, 12.0 percent less than in calendar year 1970 (72,000).

There were employment decreases in sugar cane farms (4,000), and in "other farms" (pineapple, live stock, minor crops, etc.) (2,000). The employment in tobacco farms and in coffee farms did not register important changes.

Educational Level of the Employed

During calendar year 1971 the median educational level of the 769,000 employed persons was 10.1 years. The corresponding figure for 1970 was 9.6 years.

Alrededor del 5 por ciento de los empleados en el año natural 1971 informaron no haber completado ningún año escolar mientras que el 18 por ciento informaron que habían cursado 13 años y más de escuela. El 25 por ciento informó haber cursado 12 años de escuela.

Empleo por Estado Marital

Alrededor del 72 por ciento de los empleados en el 1971 estaban casados, el 23 por ciento estaban solteros y el 5 por ciento eran viudos o divorciados.

Relación de los Empleados con el Jefe de la Vivienda

Del total de personas empleadas en el año natural 1971, el 59 por ciento eran jefes de la vivienda, el 20 por ciento eran hijos del jefe y el 15 por ciento eran cónyuges del jefe. El restante 5 por ciento eran otros familiares del jefe y personas particulares.

Características de los Desempleados

Desempleo Total

El desempleo total aumentó de 94,000 personas en el año 1970 a 104,000 en 1971 y la tasa de desempleo aumentó de 11.2 a 11.9 por ciento.

About 5 percent of the employed persons in calendar year 1971 reported no schooling at all, while 18 percent reported 13 years of schooling or more. Twenty five percent reported that they had completed 12 years of schooling.

Marital Status of the Employed

About 72 percent of the total employed in 1971 were married, 23 percent were single and 5 percent were widowed or divorced.

Household Relationship of the Employed

Fifty nine percent of the total employed in 1971 were household heads, 20 percent were sons or daughters of the household head, and 15 percent were spouses of the head. The remaining 5 percent were other relatives of the head and non relatives.

Characteristics of the Unemployed

Total Unemployment

Total unemployment increased from 94,000 persons in 1970 to 104,000 in 1971 and the unemployment rate increased from 11.2 to 11.9 percent.

Alrededor del 62 por ciento de los desempleados en el año natural 1971 informaron un periodo de desempleo ^{1/} de 4 semanas o menos, mientras que el 6 por ciento informó uno de 15 semanas o más. La duración promedio del desempleo fue de 5.6 semanas.

Desempleo Agrícola

El desempleo agrícola total para los años 1971 y 1970 se estimó en 11,000 y en 12,000, respectivamente.

Desempleo No Agrícola

El desempleo no agrícola para el año natural 1971 fue 84,000, o sea, 10,000 más que en 1970 (74,000).

Desempleo por Edad

En el 1971, el 48 por ciento de los desempleados tenían menos de 25 años de edad, el 36 por ciento tenían de 25 a 44 años y el restante 15 por ciento eran mayores de 44 años.

Desempleo por Nivel Educativo

En el año 1971, el nivel educativo mediano de los desempleados era 8.6 años. Alrededor del 5 por ciento informaron no haber completado ningún año escolar y el 57 por ciento habían completado de uno a nueve años de escuela. Sólo el 5 por ciento habían completado 13 años y más de escuela.

Las tasas de desempleo para los diferentes niveles educativos fluctuaron entre 3.8 por ciento para los que informaron 13 años y más de escuela a 16.2 por ciento para los que informaron haber cursado de 7 a 9 años de escuela.

^{1/} Se refiere al último periodo de desempleo.

v
About 62 percent of the unemployed persons during calendar year 1971 reported an unemployment period ^{1/} of 4 weeks or less, while 6 percent reported fifteen weeks or more. The average unemployment duration was 5.6 weeks.

Unemployment in Agriculture

Total agricultural unemployment for calendar years 1971 and 1970 was estimated at 11,000 and 12,000, respectively.

Nonagricultural Unemployment

Total nonagricultural unemployment for calendar 1971 was estimated at 84,000, that is, 10,000 more than in 1970 (74,000).

Unemployment by Age

In 1971, forty eight percent of the unemployed were under 25 years of age, 36 percent were from 25 to 44 years, and the remaining 15 percent were over 44 years.

Educational Level of the Unemployed

The median educational level of the unemployed in 1971 was 8.6 years. About 5 percent were reported as having no schooling at all and 57 percent had completed one to nine years of schooling. Only 5 percent had completed 13 years of schooling or more

The unemployment rates for the different educational levels ranged from 3.8 percent for those with 13 years of schooling or more to 16.2 percent for those who reported 7 to 9 years of schooling.

^{1/} Refers to the latest unemployment spell.

Estado Marital de los Desempleados

De las 104,000 personas que informaron estar desempleadas en el año 1971, el 48 por ciento eran solteros, el 48 por ciento estaban casados y el restante 4 por ciento eran viudos o divorciados.

Las tasas de desempleo fueron 22.3 por ciento para los solteros, 8.3 para los casados y 9.5 para los viudos o divorciados.

Relación de los Desempleados con el Jefe de la Vivienda

Del total de desempleados en 1971, el 36 por ciento eran jefes de la vivienda, el 45 por ciento eran hijos del jefe y el 9 por ciento eran otros familiares del jefe. El restante 9 por ciento eran cónyuges del jefe y personas particulares.

La tasa de desempleo fue 7.7 por ciento para los jefes de la vivienda y el 23.2 por ciento para los hijos de los jefes.

Personas fuera del Grupo Trabajador

El número de personas fuera del grupo trabajador aumentó de 971,000 en 1970 a 993,000 en 1971.

14 de febrero de 1972

Marital Status of the Unemployed

Of the 104,000 persons reported as unemployed during 1971 about 48 percent were single, 48 percent were married, and the remaining 4 percent were widowed or divorced.

The unemployment rates were 22.3 percent for the single, 8.3 for the married and 9.5 for the widowed or divorced.

Household Relationship of the Unemployed

About 36 percent of the unemployed in 1971 were household heads, 45 percent were sons or daughters of the head, and 9 percent were other relatives of the head. The remaining 9 percent were spouses of the head and non relatives.

The unemployment rates for the household heads and for the sons or daughters of the head were 7.7 and 23.2 percent, respectively.

Persons Not in the Labor Force

The number of persons not in the labor force increased from 971,000 in 1970 to 993,000 in 1971.

February 14, 1972

Tabla 1 - ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
 Promedio para los años naturales 1971 y 1970
 (Miles de personas de 14 años y más)
 Table 1 - EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
 Average for calendar years 1971 and 1970
 (Thousands of persons 14 years of age and over)

| Estado de Empleo | Ambos Sexos - Both Sexes | | Varones - Male | | Hembras - Female | | Employment Status |
|----------------------------------|--------------------------|------|----------------|------|------------------|------|--------------------------------------|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Población civil no institucional | 1867 | 1813 | 906 | 879 | 960 | 935 | Civilian noninstitutional population |
| Grupo Trabajador | 874 | 843 | 608 | 589 | 265 | 253 | Labor Force |
| Empleados | 769 | 748 | 533 | 521 | 236 | 227 | Employed |
| Trabajando | 731 | 710 | 509 | 497 | 222 | 213 | At work |
| Menos de 35 horas | 161 | 165 | 100 | 100 | 61 | 65 | Less than 35 hours |
| 35 horas o más | 570 | 545 | 409 | 397 | 160 | 148 | 35 hours or more |
| Con empleo pero no trabajando | 38 | 38 | 24 | 24 | 14 | 14 | With a job but not at work |
| Desempleados | 104 | 94 | 75 | 68 | 29 | 26 | Unemployed |
| Agricultura | 11 | 12 | 11 | 12 | a/ | a/ | Agriculture |
| Industrias no agrícolas | 84 | 74 | 60 | 53 | 24 | 21 | Nonagricultural industries |
| No clasificados 1/ | 9 | 8 | 4 | 3 | 5 | 5 | Not classified 1/ |
| Fuera del grupo trabajador | 993 | 971 | 298 | 290 | 695 | 681 | Not in the labor force |
| Tasas de desempleo: 2/ | | | | | | | Unemployment rates: 2/ |
| Total | 11.9 | 11.2 | 12.3 | 11.6 | 11.1 | 10.3 | Total |
| Agricultura | 14.9 | 14.4 | 15.3 | 14.7 | a/ | a/ | Agriculture |
| Industrias no agrícolas | 10.6 | 9.9 | 11.3 | 10.5 | 9.2 | 8.5 | Nonagricultural industries |

1/ Este grupo se compone principalmente de personas sin experiencia previa de trabajo.
 This group consists mainly of persons without previous work experience.

2/ Por ciento del grupo trabajador. - Percent of the labor force.

3/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 1A - ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
 Promedio para los años naturales 1971 y 1970
 (Miles de personas de 16 a 21 años)

Table 1A - EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
 Average for calendar years 1971 and 1970
 (Thousands of persons 16 to 21 years)

| Estado de Empleo | Ambos Sexos - Both Sexes | | Varones - Male | | Hembras - Female | | Employment Status |
|----------------------------------|--------------------------|------|----------------|------|------------------|------|--------------------------------------|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Población civil no institucional | 348 | 345 | 177 | 175 | 171 | 170 | Civilian noninstitutional population |
| Grupo trabajador | 118 | 111 | 80 | 76 | 38 | 35 | Labor force |
| Empleados | 86 | 80 | 57 | 55 | 29 | 26 | Employed |
| Trabajando | 83 | 78 | 55 | 53 | 27 | 25 | At work |
| Con empleo pero no trabajando | 3 | 3 | a/ | a/ | a/ | a/ | With a job but not at work |
| Desempleados | 32 | 31 | 23 | 21 | 9 | 9 | Unemployed |
| Tasa de desempleo $\frac{1}{2}$ | 27.5 | 27.6 | 28.8 | 28.1 | 24.6 | 26.6 | Unemployment rate $\frac{1}{2}$ |
| Fuera del grupo trabajador | 230 | 234 | 97 | 99 | 133 | 135 | Not in the labor force |
| En oficios domésticos | 62 | 65 | a/ | a/ | 61 | 64 | Keeping house |
| En la escuela | 138 | 139 | 68 | 70 | 70 | 68 | At school |
| Incapacitados | 3 | 4 | 2 | 3 | a/ | a/ | Unable |
| Otros | 27 | 27 | 26 | 26 | a/ | a/ | Others |

$\frac{1}{2}$ / Por ciento del grupo trabajador. - Percent of the labor force.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 2 - ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR EDAD Y SEXO
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 2 - EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY AGE AND SEX
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Edad y Sexo | GRUPO TRABAJADOR CIVIL - CIVILIAN LABOR FORCE | | | | | | | | | | Fuera del Grupo Trabajador | | Age and Sex |
|---------------|---|------|-------------------------------|------|---|------|---------------------------|------|-----------------|------|----------------------------|------|-------------------|
| | Total | | Empleados - Employed | | | | Desempleados - Unemployed | | | | Not in the Labor Force | | |
| | | | Agricultura 1/ Agriculture | | Industrias No Agrícolas Nonagricultural Industries | | Número Number | | Tasa 2/ Rate | | | | |
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Total | 874 | 843 | 63 | 72 | 706 | 676 | 104 | 94 | 11.9 | 11.2 | 993 | 971 | Total |
| Varones | 608 | 589 | 61 | 69 | 472 | 452 | 75 | 68 | 12.3 | 11.6 | 298 | 290 | Male |
| 14 a 19 años | 47 | 45 | 7 | 8 | 26 | 24 | 14 | 13 | 30.5 | 28.7 | 138 | 139 | 14 to 19 years |
| 20 a 24 años | 103 | 102 | 4 | 5 | 77 | 76 | 22 | 21 | 21.1 | 20.4 | 31 | 29 | 20 to 24 years |
| 25 a 34 años | 166 | 155 | 7 | 8 | 143 | 133 | 17 | 14 | 10.0 | 9.3 | 16 | 14 | 25 to 34 years |
| 35 a 44 años | 112 | 109 | 7 | 8 | 96 | 93 | 9 | 8 | 8.0 | 7.5 | 13 | 12 | 35 to 44 years |
| 45 a 54 años | 94 | 93 | 11 | 13 | 76 | 74 | 7 | 6 | 7.3 | 6.7 | 16 | 16 | 45 to 54 years |
| 55 a 64 años | 61 | 62 | 14 | 15 | 42 | 42 | 5 | 4 | 8.5 | 7.3 | 24 | 22 | 55 to 64 years |
| 65 años o más | 25 | 24 | 10 | 11 | 13 | 11 | 2/ | 2/ | 2/ | 2/ | 62 | 59 | 65 years and over |
| Hembras | 265 | 253 | 3 | 3 | 234 | 224 | 29 | 26 | 11.1 | 10.3 | 695 | 681 | Female |
| 14 a 19 años | 19 | 17 | 2/ | 2/ | 13 | 12 | 5 | 5 | 28.0 | 29.3 | 159 | 161 | 14 to 19 years |
| 20 a 24 años | 56 | 54 | 2/ | 2/ | 46 | 45 | 9 | 9 | 16.5 | 16.5 | 76 | 77 | 20 to 24 years |
| 25 a 34 años | 83 | 79 | 2/ | 2/ | 74 | 72 | 8 | 7 | 9.8 | 8.5 | 122 | 117 | 25 to 34 years |
| 35 a 44 años | 57 | 55 | 2/ | 2/ | 53 | 51 | 4 | 4 | 7.4 | 6.5 | 92 | 90 | 35 to 44 years |
| 45 a 54 años | 34 | 32 | 2/ | 2/ | 31 | 30 | 2/ | 2/ | 2/ | 2/ | 87 | 87 | 45 to 54 years |
| 55 a 64 años | 13 | 13 | 2/ | 2/ | 13 | 12 | 2/ | 2/ | 2/ | 2/ | 72 | 68 | 55 to 64 years |
| 65 años o más | 4 | 4 | 2/ | 2/ | 3 | 3 | 2/ | 2/ | 2/ | 2/ | 86 | 82 | 65 years and over |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Por ciento del grupo trabajador. - Percent of the labor force.

3/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 3 - PERSONAS EMPLEADAS, POR HORAS SEMANALES TRABAJADAS
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 3 - EMPLOYED PERSONS, BY WEEKLY HOURS WORKED
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Horas Trabajadas | T o t a l | | Agricultura ^{1/} Agriculture | | Industrias No Agrícolas Nonagricultural Industries | | Hours Worked |
|---------------------------------|-----------|------|--|------|---|------|-----------------------------|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Total empleados | 769 | 748 | 63 | 72 | 706 | 676 | Total employed |
| Trabajando | 731 | 710 | 60 | 68 | 671 | 642 | At work |
| 1 a 34 horas | 161 | 165 | 28 | 29 | 134 | 137 | 1 to 34 hours |
| 1 a 14 horas | 15 | 15 | 3 | 3 | 12 | 12 | 1 to 14 hours |
| 15 a 34 horas | 146 | 151 | 25 | 26 | 122 | 125 | 15 to 34 hours |
| 35 a 39 horas | 56 | 51 | 4 | 5 | 53 | 45 | 35 to 39 hours |
| 40 horas | 409 | 376 | 16 | 19 | 393 | 358 | 40 hours |
| 41 a 47 horas | 17 | 19 | a/ | a/ | 16 | 18 | 41 to 47 hours |
| 48 horas | 74 | 88 | 10 | 13 | 64 | 76 | 48 hours |
| 49 horas o más | 13 | 11 | a/ | a/ | 11 | 9 | 49 hours and over |
| Promedio de horas ^{2/} | 37.4 | 37.5 | 33.6 | 34.5 | 37.8 | 37.8 | Average hours ^{2/} |
| Con empleo pero no trabajando | 38 | 38 | 3 | 4 | 35 | 34 | With a job but not at work |

^{1/} Incluye silvicultura y pesca. - Includes forestry and fishing.

^{2/} Calculado de los datos sin agrupar. - Computed from ungrouped data.

^{3/} Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 4 - PERSONAS EMPLEADAS, POR TIPO DE INDUSTRIA, CLASE DE TRABAJADOR Y SEXO
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 4 - EMPLOYED PERSONS, BY TYPE OF INDUSTRY, CLASS OF WORKER AND SEX
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Tipo de Industria y Clase de Trabajador | Ambos Sexos Both Sexes | | Varones Male | | Hembras Female | | Type of Industry and Class of Worker |
|--|---------------------------|------|-----------------|------|-------------------|------|---|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Todas las industrias | 769 | 748 | 533 | 521 | 236 | 227 | All industries |
| Empleados asalariados | 628 | 602 | 412 | 404 | 209 | 198 | Wage and salary workers |
| Empleados por su cuenta | 126 | 130 | 108 | 109 | 19 | 20 | Self-employed workers |
| Familiares sin paga | 15 | 17 | 7 | 8 | 8 | 9 | Unpaid family workers |
| Agricultura ^{1/} | 63 | 72 | 61 | 69 | 3 | 3 | Agriculture ^{1/} |
| Empleados asalariados | 32 | 37 | 31 | 36 | a/ | a/ | Wage and salary workers |
| Empleados por su cuenta | 26 | 28 | 25 | 27 | a/ | a/ | Self-employed workers |
| Familiares sin paga | 6 | 7 | 5 | 6 | a/ | a/ | Unpaid family workers |
| Industrias no agrícolas | 706 | 676 | 472 | 452 | 234 | 224 | Nonagricultural industries |
| Empleados asalariados | 595 | 565 | 387 | 368 | 208 | 197 | Wage and salary workers |
| Empleados por su cuenta | 101 | 102 | 83 | 82 | 18 | 20 | Self-employed workers |
| Familiares sin paga | 10 | 10 | 2 | 2 | 7 | 7 | Unpaid family workers |

^{1/} Incluye silvicultura y pesca. - Includes forestry and fishing.

^{a/} Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 5 - PERSONAS EMPLEADAS, POR GRUPO INDUSTRIAL Y SEXO
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 5 - EMPLOYED PERSONS, BY INDUSTRY GROUP AND SEX
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Grupo Industrial * | Ambos Sexos - Both Sexes | | Varones - Male | | Hembras - Female | | Industry Group * |
|--|--------------------------|------|----------------|------|------------------|------|---|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Todas las Industrias | 769 | 748 | 533 | 521 | 236 | 227 | All industries |
| Agricultura <u>1/</u> | 63 | 72 | 61 | 69 | 3 | 3 | Agriculture <u>1/</u> |
| Finca de caña | 14 | 18 | 13 | 18 | a/ | a/ | Sugar cane farms |
| Finca de tabaco | 2 | 2 | a/ | a/ | a/ | a/ | Tobacco farms |
| Finca de café | 11 | 13 | 9 | 11 | a/ | a/ | Coffee farms |
| Otros <u>1/</u> | 37 | 39 | 36 | 38 | a/ | a/ | Others <u>1/</u> |
| Industrias no agrícolas | 706 | 676 | 472 | 452 | 234 | 224 | Nonagricultural industries |
| Manufactura | 146 | 141 | 80 | 77 | 66 | 65 | Manufacturing |
| Construcción | 90 | 85 | 88 | 84 | a/ | a/ | Construction |
| Comercio | 145 | 141 | 106 | 104 | 39 | 37 | Trade |
| Transportación, comunicación y utilidades públicas | 51 | 51 | 47 | 46 | 5 | 5 | Transportation, communication, and public utilities |
| Servicios | 256 | 240 | 140 | 130 | 116 | 111 | Service industries |
| Administración Pública | 127 | 115 | 70 | 63 | 57 | 52 | Public Administration |
| Otros | 129 | 125 | 70 | 66 | 59 | 59 | Others |
| Otras industrias <u>2/</u> | 18 | 17 | 11 | 11 | 6 | 6 | Other industries <u>2/</u> |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Incluye minería; y finanzas, seguros y bienes raíces. - Includes mining; and finance, insurance, and real estate.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

* Vease nota sobre Clasificación Industrial al final de este informe. - See note on Industrial Classification at the end of this report.

Tabla 5A - EMPLEADOS ASALARIADOS, POR GRUPO INDUSTRIAL Y SEXO
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 5A - WAGE AND SALARY WORKERS, BY INDUSTRY GROUP AND SEX
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Grupo Industrial * | Ambos Sexos - Both Sexes | | Varones - Male | | Hembras - Female | | Industry Group * |
|--|--------------------------|------|----------------|------|------------------|------|--|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Todas las Industrias | 628 | 602 | 418 | 404 | 209 | 198 | All Industries |
| Agricultura <u>1/</u> | 32 | 37 | 31 | 36 | a/ | a/ | Agriculture <u>1/</u> |
| Fincas de caña | 12 | 16 | 12 | 16 | a/ | a/ | Sugar cane farms |
| Fincas de tabaco | a/ | a/ | a/ | a/ | a/ | a/ | Tobacco farms |
| Fincas de café | 5 | 6 | 5 | 5 | a/ | a/ | Coffee farms |
| Otros <u>1/</u> | 14 | 15 | 13 | 14 | a/ | a/ | Other <u>1/</u> |
| Industrias no agrícolas | 595 | 565 | 387 | 368 | 208 | 197 | Nonagricultural industries |
| Manufactura | 142 | 137 | 76 | 73 | 66 | 64 | Manufacturing |
| Construcción | 83 | 79 | 82 | 78 | a/ | a/ | Construction |
| Comercio | 89 | 86 | 65 | 63 | 24 | 22 | Trade |
| Transportación, comunicación y utilidades públicas | 40 | 38 | 35 | 34 | 5 | 4 | Transportation, communication and public utilities |
| Servicios | 225 | 209 | 119 | 109 | 106 | 100 | Service industries |
| Administración Pública | 127 | 115 | 70 | 63 | 57 | 52 | Public Administration |
| Otros | 98 | 94 | 49 | 45 | 49 | 48 | Other |
| Otras industrias <u>2/</u> | 16 | 16 | 10 | 10 | 6 | 6 | Other industries <u>2/</u> |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Incluye minería; y finanzas, seguros y bienes raíces. - Includes mining; and finance, insurance, and real estate.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

* Véase nota sobre Clasificación Industrial al final de este informe. - See note on Industrial Classification at the end of this report.

Tabla 6 - PERSONAS EMPLEADAS, POR GRUPO OCUPACIONAL PRINCIPAL Y SEXO
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 6 - EMPLOYED PERSONS, BY MAJOR OCCUPATIONAL GROUP AND SEX
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Grupo Ocupacional Principal | Ambos Sexos - Both Sexes | | Varones - Male | | Hembras - Female | | Major Occupational Group |
|---|--------------------------|------|----------------|------|------------------|------|--|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Todos los grupos | 769 | 748 | 533 | 521 | 236 | 227 | All groups |
| Trabajadores profesionales | 70 | 62 | 35 | 32 | 35 | 30 | Professional workers |
| Trabajadores semi-profesionales | 13 | 11 | 9 | 9 | 3 | 3 | Seni-professional workers |
| Agricultores y administradores de fincas | 25 | 28 | 25 | 27 | a/ | a/ | Farmers and farm managers |
| Proprietarios, administradores y oficiales, excepto de fincas | 78 | 76 | 65 | 64 | 12 | 12 | Proprietors, managers and officials, except farm |
| Oficinistas, vendedores y trabajadores análogos | 137 | 130 | 69 | 67 | 67 | 64 | Clerical, sales and kindred workers |
| Artesanos, capataces y trabajadores análogos | 103 | 98 | 100 | 95 | 3 | 3 | Craftsmen, foremen and kindred workers |
| Operarios y trabajadores análogos | 146 | 144 | 84 | 83 | 61 | 61 | Operatives and kindred workers |
| Trabajadores en servicio doméstico | 14 | 15 | a/ | a/ | 13 | 15 | Private household workers |
| Trabajadores en servicio protectorio | 20 | 18 | 19 | 17 | a/ | a/ | Protective service workers |
| Otros servicios (personales, comerciales, de mantenimiento, etc.) | 66 | 65 | 30 | 29 | 36 | 35 | Other services (personal, commercial, maintenance, etc.) |
| Obreros y mayordomos de fincas | 35 | 41 | 33 | 38 | a/ | 3 | Farm laborers and foremen |
| Obreros, excepto de fincas | 64 | 61 | 63 | 60 | a/ | a/ | Laborers, except farm |

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 6A - PERSONAS EMPLEADAS, POR NIVEL EDUCACIONAL, ESTADO MARITAL Y RELACION CON EL JEFE
Promedio para los años naturales 1971 y 1970

Table 6A - EMPLOYED PERSONS, BY EDUCATIONAL LEVEL, MARITAL STATUS, AND HOUSEHOLD RELATIONSHIP
Average for calendar years 1971 and 1970

| Características | Distribución Porcentual - Percent Distribution | | Characteristics |
|--|--|-------|---|
| | 1971 | 1970 | |
| <u>ULTIMO GRADO ESCOLAR COMPLETADO</u> | | | <u>HIGHEST GRADE COMPLETED</u> |
| Total | 100.0 | 100.0 | Total |
| Ninguno | 4.8 | 5.4 | None |
| 1 - 3 | 10.1 | 10.9 | 1 - 3 |
| 4 - 6 | 17.7 | 19.0 | 4 - 6 |
| 7 - 9 | 16.9 | 17.3 | 7 - 9 |
| 10 - 11 | 7.6 | 7.7 | 10 - 11 |
| 12 | 25.2 | 24.0 | 12 |
| 13 y más | 17.6 | 15.8 | 13 and over |
| Mediana de años escolares completados ^{1/} | 10.1 | 9.6 | Median of school years completed ^{1/} |
| <u>ESTADO MARITAL</u> | | | <u>MARITAL STATUS</u> |
| Total | 100.0 | 100.0 | Total |
| Soltero | 22.5 | 23.5 | Single |
| Casado | 72.3 | 71.6 | Married |
| Cónyuge presente | 68.5 | 67.9 | Spouse present |
| Cónyuge ausente ^{2/} | 3.8 | 3.8 | Spouse absent ^{2/} |
| Viudo o divorciado | 5.2 | 4.9 | Widowed or divorced |
| <u>RELACION CON EL JEFE</u> | | | <u>HOUSEHOLD RELATIONSHIP</u> |
| Total | 100.0 | 100.0 | Total |
| Jefe | 58.8 | 59.0 | Household head |
| Esposa del jefe | 15.4 | 14.8 | Wife of head |
| Hijo del jefe | 20.4 | 20.5 | Child of head |
| Otros familiares del jefe | 4.7 | 4.8 | Other relatives of head |
| Particulares | 0.7 | 0.9 | Non relatives |

^{1/} Punto en la escala de años escolares completados que divide la distribución en dos partes iguales.
Point in the scale of school years completed which divides the distribution into two equal parts.

^{2/} Incluye separados. - Includes separated.

Tabla 7 - DISTRIBUCION DE LOS DESEMPLEADOS, POR DURACION
Promedio para los años naturales 1971 y 1970
(Miles de personas de 14 años y más)

Table 7 - DISTRIBUTION OF THE UNEMPLOYED, BY DURATION
Average for calendar years 1971 and 1970
(Thousands of persons 14 years of age and over)

| Duración ^{1/} | 1971 | | 1970 | | Duration ^{1/} |
|------------------------|------------------|-----------------------|------------------|-----------------------|------------------------|
| | Número Number | Por ciento Percent | Número Number | Por ciento Percent | |
| Total | 104 | 100.0 | 94 | 100.0 | Total |
| Menos de 5 semanas | 65 | 62.4 | 60 | 63.5 | Less than 5 weeks |
| 5 a 14 semanas | 33 | 31.4 | 28 | 30.0 | 5 to 14 weeks |
| 15 semanas o más | 6 | 6.2 | 6 | 6.5 | 15 weeks and over |

^{1/} Se refiere al último período de desempleo. - Refers to the latest unemployment spell.

Tabla 7A - PROMEDIO ^{1/} DE DURACION DEL DESEMPLEO, POR TIPO DE INDUSTRIA
(Semanas)

Table 7A - AVERAGE ^{1/} UNEMPLOYMENT DURATION, BY TYPE OF INDUSTRY
(Weeks)

| Tipo de Industria | 1971 | 1970 | Type of Industry |
|-----------------------------------|------|------|-----------------------------|
| Total | 5.6 | 5.7 | Total |
| Agricultura | 5.6 | 5.7 | Agriculture |
| Industrias no agrícolas | 5.6 | 5.6 | Nonagricultural industries |
| Sin experiencia previa de trabajo | 6.0 | 6.1 | No previous work experience |

^{1/} Promedio calculado de los datos sin agrupar. - Average computed from ungrouped data.

Tabla 8 - PERSONAS DESEMFLEADAS, POR INDUSTRIA
Promedio para los años naturales 1971 y 1970

Table 8 - UNEMPLOYED PERSONS, BY INDUSTRY
Average for calendar years 1971 and 1970

| Industria | Tasa de Desempleo Unemployment Rate | | Distribución Porcentual Percent Distribution | | Industry |
|---|--|-----------|---|-------|--|
| | 1971 | 1970 | 1971 | 1970 | |
| Todas las industrias | 11.9 | 11.2 | 100.0 | 100.0 | All industries |
| Trabajadores asalariados | 12.6 | 11.9 | 86.5 | 86.2 | Experienced wage and salary workers |
| Agricultura <u>1/</u> | 25.0 | 24.0 | 10.2 | 12.5 | Agriculture <u>1/</u> |
| Industrias no agrícolas | 11.8 | 11.0 | 76.2 | 73.7 | Nonagricultural industries |
| Construcción | 19.3 | 17.6 | 19.1 | 17.9 | Construction |
| Manufactura | 16.8 | 16.0 | 27.4 | 27.6 | Manufacturing |
| Transportación, comunicación y utilidades públicas | 8.5 | 8.2 | 3.5 | 3.6 | Transportation, communication, and public utilities |
| Comercio | 11.1 | 10.0 | 10.7 | 10.1 | Trade |
| Servicios incluyendo Administración Pública | 6.4 | 5.8 | 14.7 | 13.6 | Services including Public Administration |
| Otras <u>2/</u> | <u>a/</u> | <u>a/</u> | 0.8 | 0.9 | Others <u>2/</u> |
| Trabajadores por su cuenta y familiares sin paga | 3.2 | 3.1 | 4.5 | 4.9 | Self-employed and unpaid family workers |
| Sin experiencia previa de trabajo | - | - | 9.1 | 8.9 | No previous work experience |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Incluye minería; y finanzas, seguros y bienes raíces. - Includes mining; and finance, insurance, and real estate.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 9 - PERSONAS DESEMPLEADAS, POR OCUPACION
Promedio para los años naturales 1971 y 1970

Table 9 - UNEMPLOYED PERSONS, BY OCCUPATION
Average for calendar years 1971 and 1970

| Ocupación | Tasa de Desempleo Unemployment Rate | | Distribución Porcentual Percent Distribution | | Occupation |
|--|--|------|---|-------|---|
| | 1971 | 1970 | 1971 | 1970 | |
| Total | 11.9 | 11.2 | 100.0 | 100.0 | Total |
| Trabajadores de Cuello Blanco (Profesionales y semi-profesionales; propietarios, administradores y oficiales, excepto de fincas; ofi- cinistas, vendedores y trabajadores análogos) | 4.3 | 4.2 | 12.9 | 12.9 | White Collar Workers (Professional and semi-professional; managers, officials, and proprietors, except farms; clerical and sales workers) |
| Trabajadores de Cuello Azul (Artesanos, capataces y trabajadores análogos; operarios y trabajadores análogos; obreros, excepto de fincas) | 16.5 | 15.2 | 59.4 | 57.8 | Blue Collar Workers (Craftsmen, and foremen; operatives and kindred workers; nonfarm laborers) |
| Trabajadores en Servicios (Servicio doméstico; servicio protec- tivo; otros servicios: personales, comerciales, de mantenimiento, etc.) | 8.4 | 7.7 | 8.7 | 8.6 | Service Workers (Private household workers; protective services; and other services: personal, commercial, maintenance, etc.) |
| Trabajadores Agrícolas (Agricultores y administradores de fincas; obreros y mayordomos de fincas) | 14.7 | 14.1 | 9.9 | 11.9 | Farm Workers (Farmers and farm managers; farm laborers and foremen) |
| Trabajadores sin experiencia previa de trabajo | - | - | 9.1 | 8.9 | No previous work experience |

Tabla 10 - DESEMPLEO, POR NIVEL EDUCACIONAL
Promedio para los años naturales 1971 y 1970

Table 10 - UNEMPLOYMENT, BY EDUCATIONAL LEVEL
Average for calendar years 1971 and 1970

| Último Grado Escolar Completado | Tasa de Desempleo Unemployment Rate | | Distribución Porcentual Percent Distribution | | Highest Grade Completed |
|--|--|------|---|-------|---|
| | 1971 | 1970 | 1971 | 1970 | |
| Total | 11.9 | 11.2 | 100.0 | 100.0 | Total |
| Ninguno | 11.6 | 11.6 | 4.6 | 5.6 | None |
| 1 - 3 | 13.1 | 11.9 | 11.2 | 11.7 | 1 - 3 |
| 4 - 6 | 14.2 | 12.3 | 21.6 | 21.0 | 4 - 6 |
| 7 - 9 | 16.2 | 15.0 | 24.0 | 24.1 | 7 - 9 |
| 10 -11 | 16.9 | 14.8 | 11.4 | 10.6 | 10 -11 |
| 12 | 10.6 | 10.8 | 22.1 | 22.9 | 12 |
| 13 y más | 3.8 | 3.2 | 5.1 | 4.1 | 13 and over |
| Mediana de años escolares completados ^{1/} | - | - | 8.6 | 8.5 | Median of school years completed ^{1/} |

^{1/} Punto en la escala de años escolares completados que divide la distribución en dos partes iguales.
Point in the scale of school years completed which divides the distribution into two equal parts.

Tabla 11 - PERSONAS DESEMPLEADAS, POR ESTADO MARITAL Y RELACION CON EL JEFE
Promedio para los años naturales 1971 y 1970

Table 11 - UNEMPLOYED PERSONS, BY MARITAL STATUS AND HOUSEHOLD RELATIONSHIP
Average for calendar years 1971 and 1970

| Características | Tasa de Desempleo Unemployment Rate | | Distribución Porcentual Percent Distribution | | Characteristics |
|-----------------------------|--|------|---|-------|-------------------------------|
| | 1971 | 1970 | 1971 | 1970 | |
| <u>ESTADO MARITAL</u> | | | | | <u>MARITAL STATUS</u> |
| Total | 11.9 | 11.2 | 100.0 | 100.0 | Total |
| Soltero | 22.3 | 20.9 | 47.7 | 49.1 | Single |
| Casado | 8.3 | 7.7 | 48.3 | 47.2 | Married |
| Cónyuge presente | 7.8 | 7.3 | 42.9 | 42.2 | Spouse present |
| Cónyuge ausente 1/ | 16.2 | 14.4 | 5.5 | 5.0 | Spouse absent 1/ |
| Viudo o Divorciado | 9.5 | 8.6 | 4.0 | 3.6 | Widowed or Divorced |
| <u>RELACION CON EL JEFE</u> | | | | | <u>HOUSEHOLD RELATIONSHIP</u> |
| Total | 11.9 | 11.2 | 100.0 | 100.0 | Total |
| Jefe | 7.7 | 7.1 | 36.2 | 35.6 | Household head |
| Esposa del jefe | 7.2 | 7.0 | 8.8 | 8.8 | Wife of head |
| Hijo del jefe | 23.2 | 22.5 | 45.5 | 47.1 | Child of head |
| Otros familiares del jefe | 21.0 | 17.5 | 9.1 | 8.1 | Other relatives of head |
| Particulares | a/ | a/ | 0.4 | 0.4 | Non relatives |

1/ Incluye separados. - Includes separated.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 12 - TASAS DE PARTICIPACION Y DE DESEMPLEO, POR REGION ^{1/} Y SEXO
Promedio para los años naturales 1971 y 1970

Table 12 - PARTICIPATION AND UNEMPLOYMENT RATES, BY REGION ^{1/} AND SEX
Average for calendar years 1971 and 1970

| | PUERTO RICO | | REGION I | | REGION II | | REGION III | | REGION IV | | REGION V | | |
|-------------------------------------|-------------|------|----------|------|-----------|------|------------|------|-----------|------|----------|------|----------------------------------|
| | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 | 1970 | |
| Tasa de Participación ^{2/} | | | | | | | | | | | | | Participation Rate ^{2/} |
| Total | 46.8 | 46.5 | 46.8 | 46.6 | 44.4 | 44.2 | 44.5 | 43.1 | 44.2 | 43.9 | 42.7 | 42.0 | Total |
| Varones | 67.1 | 67.1 | 66.6 | 66.9 | 63.9 | 63.5 | 65.3 | 64.5 | 65.7 | 66.2 | 64.7 | 64.7 | Male |
| Hembras | 27.6 | 27.1 | 29.2 | 28.8 | 26.3 | 25.7 | 25.6 | 23.8 | 25.3 | 24.8 | 22.4 | 21.6 | Female |
| Tasa de Desempleo ^{3/} | | | | | | | | | | | | | Unemployment Rate ^{3/} |
| Total | 11.9 | 11.2 | 8.4 | 8.3 | 13.3 | 11.1 | 15.3 | 14.5 | 15.4 | 13.0 | 13.1 | 12.6 | Total |
| Varones | 12.3 | 11.6 | 8.8 | 8.8 | 13.0 | 12.0 | 15.7 | 14.9 | 14.9 | 12.2 | 13.6 | 12.4 | Male |
| Hembras | 11.1 | 10.3 | 7.5 | 7.4 | 13.9 | 9.1 | 14.3 | 13.7 | 16.7 | 14.9 | 11.8 | 13.1 | Female |

^{1/} Las tasas para las regiones son calculadas directamente de la muestra. - The rates for the regions are computed directly from the sample.

^{2/} Por ciento de la población civil no institucional de 14 años y más que estaban en el grupo trabajador.
Percentage of the civilian noninstitutional population 14 years old and over that was in the labor force.

^{3/} Por ciento de desempleados en el grupo trabajador. - Percentage of unemployed persons in the labor force.

DISTRIBUCION DE MUNICIPIOS POR REGIONES - DISTRIBUTION OF THE MUNICIPALITIES BY REGIONS

| REGION I | REGION II | REGION III | REGION IV | REGION V |
|---------------|--------------|--------------|---------------|--------------|
| Barranquitas | Aguas Buenas | Arecibo | Aguada | Adjuntas |
| Bayamón | Aibonito | Barceloneta | Aguadilla | Arroyo |
| Carolina | Caguas | Camuy | Añasco | Coamo |
| Cataño | Cayey | Ciales | Cabo Rojo | Guánica |
| Ceiba | Cidra | Hatillo | Hormigueros | Guayama |
| Comerio | Culebra * | Lares | Isabela | Guayanilla |
| Corozal | Curabo | Manatí | Lajas | Jayuya |
| Dorado | Humacao | Morovis | Las Marías | Juana Díaz |
| Fajardo | Juncos | Orocovis | Maricao | Maunabo |
| Guaynabo | Las Piedras | Quebradillas | Moca | Patillas |
| Loíza | Naguabo | Utua | Rincón | Peñuelas |
| Luquillo | San Lorenzo | Vega Baja | Sabana Grande | Salinas |
| Naranjito | Vieques * | | San Germán | Santa Isabel |
| Río Grande | Yabucoa | | San Sebastián | Villalba |
| Toa Alta | | | Mayaguez | Yauco |
| Toa Baja | | | | Ponce |
| Trujillo Alto | | | | |
| Vega Alta | | | | |
| Río Piedras | | | | |
| San Juan | | | | |

* Culebra y Vieques no están incluidos en la muestra. - Culebra and Vieques are not included in the sample.

Tabla 13 - RESUMEN DEL ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
Promedio para los años naturales 1950 a 1971
(Miles de personas de 14 años y más)

Table 13 - SUMMARY OF THE EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
Average for calendar years 1950 to 1971
(Thousands of persons 14 years of age and over)

| Sexo y Año | Población Population | En el Grupo Trabajador - In the Labor Force | | | | | | | Fuera del Grupo Trabajador Not in the Labor Force | Sex and Year |
|--------------------|-------------------------|---|---|-----------------------|--|---|----------------------------|---|---|--------------|
| | | Total | | Empleados Employed | | | Desempleados Unemployed | | | |
| | | Número Number | Por Ciento de la Población Percent of the Population | Total | Agri- cultura 1/ Agri- culture | Industrias No Agrícolas Nonagri- cultural Industries | Número Number | Por Ciento del Grupo Trabajador Percent of the Labor Force | | |
| <u>Ambos Sexos</u> | | | | | | | | | <u>Both Sexes</u> | |
| 1950 | 1289 | 704 | 54.6 | 601 | 210 | 391 | 103 | 14.7 | 589 | 1950 |
| 1951 | 1276 | 705 | 55.2 | 591 | 197 | 394 | 114 | 16.2 | 571 | 1951 |
| 1952 | 1267 | 659 | 52.0 | 559 | 180 | 379 | 100 | 15.2 | 608 | 1952 |
| 1953 | 1261 | 634 | 50.2 | 543 | 171 | 371 | 91 | 14.4 | 628 | 1953 |
| 1954 | 1275 | 631 | 49.5 | 534 | 168 | 366 | 97 | 15.4 | 644 | 1954 |
| 1955 | 1320 | 643 | 48.7 | 551 | 161 | 390 | 92 | 14.3 | 678 | 1955 |
| 1956 | 1334 | 640 | 48.0 | 557 | 158 | 399 | 83 | 13.0 | 693 | 1956 |
| 1957 | 1341 | 631 | 47.0 | 549 | 150 | 399 | 82 | 12.9 | 710 | 1957 |
| 1958 | 1363 | 639 | 46.9 | 550 | 145 | 404 | 89 | 13.9 | 724 | 1958 |
| 1959 | 1377 | 631 | 45.8 | 544 | 129 | 415 | 87 | 13.8 | 746 | 1959 |
| 1960 | 1399 | 638 | 45.6 | 560 | 131 | 429 | 77 | 12.1 | 761 | 1960 |
| 1961 | 1436 | 667 | 46.4 | 582 | 142 | 440 | 85 | 12.7 | 770 | 1961 |
| 1962 | 1484 | 683 | 46.1 | 598 | 144 | 453 | 86 | 12.5 | 800 | 1962 |
| 1963 | 1537 | 705 | 45.9 | 623 | 141 | 482 | 83 | 11.7 | 831 | 1963 |
| 1964 | 1584 | 728 | 45.9 | 646 | 124 | 522 | 81 | 11.2 | 856 | 1964 |
| 1965 | 1625 | 756 | 46.5 | 665 | 112 | 552 | 91 | 12.1 | 869 | 1965 |
| 1966 | 1653 | 778 | 47.1 | 682 | 101 | 581 | 96 | 12.3 | 875 | 1966 |
| 1967 | 1681 | 789 | 46.9 | 693 | 95 | 598 | 96 | 12.2 | 892 | 1967 |
| 1968 | 1719 | 802 | 46.7 | 709 | 88 | 621 | 93 | 11.6 | 917 | 1968 |
| 1969 | 1752 | 817 | 46.6 | 733 | 80 | 652 | 85 | 10.4 | 935 | 1969 |
| 1970 | 1813 | 843 | 46.5 | 748 | 72 | 676 | 94 | 11.2 | 971 | 1970 |
| 1971 | 1867 | 874 | 46.8 | 769 | 63 | 706 | 104 | 11.9 | 993 | 1971 |

Tabla 13 - RESUMEN DEL ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
Promedio para los años naturales 1950 a 1971
(Miles de personas de 14 años y más)

Table 13 - SUMMARY OF THE EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
Average for calendar years 1950 to 1971
(Thousands of persons 14 years of age and over)

(CONTINUACION)

(CONTINUED)

| Sexo y Año | Población Population | En el Grupo Trabajador - In the Labor Force | | | | | | | Fuera del Grupo Trabajador Not in the Labor Force | Sex and Year |
|----------------|-------------------------|---|---|-----------------------|---------------------------------|---|----------------------------|--|--|--------------|
| | | Total | | Empleados Employed | | | Desempleados Unemployed | | | |
| | | Número Number | Por Ciento de la Población Percent of the Population | Total | Agri- cultura Agriculture | Industrias No Agrícolas Nonagri- cultural Industries | Número Number | Por Ciento del Grupo del Grupo Trabajador Percent of the Labor Force | | |
| Varones | | | | | | | | | | Male |
| 1950 | 638 | 509 | 79.8 | 431 | 202 | 229 | 78 | 15.3 | 129 | 1950 |
| 1951 | 626 | 501 | 80.1 | 427 | 189 | 238 | 74 | 14.8 | 125 | 1951 |
| 1952 | 612 | 480 | 78.4 | 409 | 174 | 235 | 71 | 14.9 | 132 | 1952 |
| 1953 | 601 | 461 | 76.7 | 394 | 165 | 230 | 67 | 14.4 | 140 | 1953 |
| 1954 | 608 | 460 | 75.7 | 390 | 163 | 227 | 69 | 15.1 | 148 | 1954 |
| 1955 | 637 | 474 | 74.4 | 403 | 155 | 248 | 70 | 14.8 | 163 | 1955 |
| 1956 | 646 | 473 | 73.3 | 409 | 152 | 256 | 64 | 13.6 | 172 | 1956 |
| 1957 | 646 | 471 | 72.8 | 410 | 145 | 264 | 61 | 13.0 | 176 | 1957 |
| 1958 | 647 | 475 | 73.4 | 408 | 140 | 268 | 67 | 14.0 | 172 | 1958 |
| 1959 | 633 | 462 | 73.0 | 395 | 125 | 270 | 67 | 14.6 | 171 | 1959 |
| 1960 | 666 | 476 | 71.5 | 415 | 126 | 289 | 61 | 12.7 | 190 | 1960 |
| 1961 | 695 | 499 | 71.8 | 429 | 135 | 294 | 69 | 13.9 | 196 | 1961 |
| 1962 | 719 | 515 | 71.6 | 444 | 136 | 307 | 71 | 13.9 | 204 | 1962 |
| 1963 | 747 | 527 | 70.6 | 458 | 134 | 324 | 69 | 13.1 | 220 | 1963 |
| 1964 | 769 | 540 | 70.1 | 472 | 118 | 354 | 67 | 12.4 | 230 | 1964 |
| 1965 | 789 | 554 | 70.1 | 480 | 107 | 373 | 74 | 13.3 | 236 | 1965 |
| 1966 | 803 | 560 | 69.8 | 486 | 97 | 389 | 75 | 13.3 | 242 | 1966 |
| 1967 | 816 | 565 | 69.2 | 490 | 91 | 400 | 75 | 13.2 | 251 | 1967 |
| 1968 | 833 | 570 | 68.4 | 497 | 84 | 413 | 73 | 12.8 | 263 | 1968 |
| 1969 | 849 | 574 | 67.7 | 509 | 78 | 431 | 66 | 11.4 | 274 | 1969 |
| 1970 | 879 | 589 | 67.1 | 521 | 69 | 452 | 68 | 11.6 | 290 | 1970 |
| 1971 | 906 | 608 | 67.1 | 533 | 61 | 472 | 75 | 12.3 | 298 | 1971 |

Tabla 13 - RESUMEN DEL ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
 Promedio para los años naturales 1950 a 1971
 (Miles de personas de 14 años y más)

Table 13 - SUMMARY OF THE EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
 Average for calendar years 1950 to 1971
 (Thousands of persons 14 years of age and over)

(CONTINUACION)

(CONTINUED)

| Sexo y Año | Población Population | En el Grupo Trabajador - In the Labor Force | | | | | | | Fuera del Grupo Trabajador Not in the Labor Force | Sex and Year |
|----------------|-------------------------|---|---|-----------------------|--|---|----------------------------|---|---|--------------|
| | | T o t a l | | Empleados Employed | | | Desempleados Unemployed | | | |
| | | Número Number | Por ciento de la Población Percent of the Population | Total | Agri- cultura ^{1/} Agri- culture | Industrias No Agrícolas Nonagri- cultural Industries | Número Number | Por ciento del Grupo Trabajador Percent of the Labor Force | | |
| <u>Hembras</u> | | | | | | | | | <u>Female</u> | |
| 1950 | 652 | 196 | 30.0 | 170 | 8 | 162 | 26 | 13.1 | 456 | 1950 |
| 1951 | 650 | 204 | 31.3 | 164 | 8 | 156 | 40 | 19.5 | 447 | 1951 |
| 1952 | 655 | 179 | 27.3 | 150 | 6 | 144 | 29 | 16.1 | 476 | 1952 |
| 1953 | 661 | 173 | 26.1 | 148 | 7 | 141 | 25 | 14.2 | 488 | 1953 |
| 1954 | 668 | 171 | 25.7 | 144 | 6 | 138 | 28 | 16.2 | 496 | 1954 |
| 1955 | 683 | 169 | 24.7 | 147 | 5 | 141 | 22 | 12.9 | 514 | 1955 |
| 1956 | 688 | 167 | 24.3 | 148 | 5 | 143 | 19 | 11.3 | 521 | 1956 |
| 1957 | 695 | 160 | 23.1 | 140 | 5 | 135 | 21 | 12.9 | 535 | 1957 |
| 1958 | 716 | 164 | 22.9 | 142 | 5 | 137 | 22 | 13.5 | 552 | 1958 |
| 1959 | 744 | 169 | 22.7 | 149 | 5 | 145 | 20 | 11.8 | 575 | 1959 |
| 1960 | 733 | 162 | 22.1 | 145 | 5 | 140 | 17 | 10.4 | 571 | 1960 |
| 1961 | 742 | 168 | 22.7 | 152 | 7 | 146 | 16 | 9.4 | 574 | 1961 |
| 1962 | 765 | 168 | 22.0 | 154 | 8 | 146 | 14 | 8.5 | 596 | 1962 |
| 1963 | 790 | 178 | 22.6 | 165 | 7 | 157 | 14 | 7.6 | 612 | 1963 |
| 1964 | 815 | 188 | 23.1 | 174 | 6 | 168 | 14 | 7.6 | 627 | 1964 |
| 1965 | 836 | 203 | 24.2 | 185 | 6 | 180 | 18 | 8.6 | 633 | 1965 |
| 1966 | 850 | 218 | 25.6 | 197 | 4 | 192 | 21 | 9.6 | 633 | 1966 |
| 1967 | 866 | 224 | 25.9 | 203 | 4 | 199 | 21 | 9.6 | 641 | 1967 |
| 1968 | 886 | 232 | 26.2 | 212 | 4 | 208 | 20 | 8.6 | 654 | 1968 |
| 1969 | 904 | 243 | 26.9 | 224 | 3 | 221 | 19 | 7.9 | 661 | 1969 |
| 1970 | 935 | 253 | 27.1 | 227 | 3 | 224 | 26 | 10.3 | 681 | 1970 |
| 1971 | 960 | 265 | 27.6 | 236 | 3 | 234 | 29 | 11.1 | 695 | 1971 |

^{1/} Incluye silvicultura y pesca. - Includes forestry and fishing.

Nota: Las cifras hasta el año 1966 son revisadas.
 Note: Figures up to 1966 are revised.

NOTAS ACLARATORIAS

La información que se presenta en este informe se basa en una encuesta realizada por el Negociado de Estadísticas del Trabajo en una muestra de viviendas representativa de la población de Puerto Rico. La encuesta se realiza mensualmente en una muestra de alrededor de 6,000 viviendas.

En cada vivienda entrevistada, se hacen varias preguntas acerca de cada uno de los miembros de 14 años y más de edad, con el fin de determinar si están empleados, desempleados o fuera del grupo trabajador; así como preguntas relacionadas con la ocupación, industria, horas trabajadas y otras características de estas personas.

Se usa como período de referencia una semana fija, aquella que contiene el día 12 del mes. La encuesta se lleva a cabo durante la semana inmediatamente después de la de referencia.

Debido a que sólo se estudia una muestra de todas las viviendas en Puerto Rico, es necesario inflar las cifras obtenidas en la encuesta para así obtener estimados de empleo y desempleo para toda la población. Por lo tanto, la información obtenida de la muestra se infla a estimados de la población civil no institucional de 14 años y más por grupos de edad y sexo, preparados por la División de Registro Demográfico y Estadísticas del Departamento de Salud. Estos estimados están basados en la distribución por edad y sexo de la población de Puerto Rico en abril de 1960, según lo determinó el Censo de Población de los Estados Unidos. Desde esa fecha en adelante, se han tomado en consideración los cambios registrados en la población debidos a: personas que cumplen 14 años, defunciones, inmigración, emigración y reclutamiento neto de las Fuerzas Armadas.

EXPLANATORY NOTES

The information presented in this report is based on a survey carried out by the Bureau of Labor Statistics in a sample of households representing a cross section of the population of Puerto Rico. The survey is carried out on a monthly basis in a sample of around 6,000 households.

In each interviewed household, a number of questions are asked concerning each household member 14 years old and over, in order to ascertain if they are employed, unemployed, or not in the labor force; as well as questions related to occupation, industry, hours worked and other characteristics regarding these persons.

A fixed reference week is used, namely the one containing the twelfth of the month. The survey is carried out in the week immediately after the reference week.

Due to the fact that only a sample of all households of Puerto Rico is studied, it is necessary to inflate the figures obtained in the survey, in order to obtain estimates of employment and unemployment for the whole population. Therefore, the information obtained from the sample is inflated to estimate the civilian noninstitutional population 14 years old and over, by age and sex groups, prepared by the Division of Demographic Registry and Statistics of the Department of Health. These estimates are based on the age and sex distribution of the population of Puerto Rico in April 1960, as determined by the United States Census of Population. Since that date, account has been taken of the changes which have occurred due to: persons becoming 14 years old, deaths, immigration, emigration, and enrollment in the Armed Forces.

Los estimados que se presentan en este informe están afectados por la variabilidad de la muestra utilizada. En términos generales, mientras mayor es la cifra informada, mayor es la confiabilidad del estimado. Debido a esta variabilidad, no debe darse mucho énfasis a pequeñas diferencias.

Las cifras publicadas no siempre suman a los totales debido a que han sido redondeadas. Los por cientos han sido calculados a base de cifras sin redondear.

DEFINICION DE TERMINOS

La población civil no institucional de 14 años y más comprende la población de catorce años y más de edad, excluyendo las personas en las Fuerzas Armadas y las recluidas en instituciones tales como prisiones, asilos y hospitales para enfermedades crónicas.

Personas empleadas son aquellas que, durante la semana cubierta por la encuesta, se encontraban:

1. "trabajando" - las que realizaron algún trabajo por paga o ganancia o trabajaron sin paga por 15 horas o más durante la semana en la finca o negocio de un miembro de la familia que habitaba en la misma vivienda o,
2. "con empleo pero no trabajando" - aquellas que no trabajaron ni buscaron trabajo, pero tenían un empleo o negocio del cual estaban ausentes temporalmente por enfermedad, vacaciones, mal tiempo, conflictos obreros, o paro temporero con instrucciones de regresar al trabajo dentro de los próximos 30 días. Se incluye también en esta categoría a personas que habían conseguido nuevos empleos en los cuales deberían comenzar a trabajar dentro de los próximos 30 días.

The estimates presented here are affected by the chance variation of the sample used. In general, the larger the figure reported, the greater the reliability of the estimates. Because of this variability, too much emphasis should not be placed on small differences.

The figures published do not always add to the totals due to rounding. Percentages have been computed from unrounded figures.

DEFINITION OF TERMS

The civilian noninstitutional population 14 years of age and over comprises the population fourteen years of age and over, excluding persons in the Armed Forces and inmates in institutions such as prisons, asylums and hospitals for chronic diseases.

Employed persons comprise those who, during the survey week, were either:

1. "at work" - those who did any work for pay or profit, or worked without pay for 15 hours or more on a family farm or business for a member living in the same household, or
2. "with a job but not at work" - those who did not work and were not looking for work but had a job or business from which they were temporarily absent because of illness, vacations, bad weather, industrial disputes, or layoff with instructions to return to work within 30 days of layoff. Also included are persons who had obtained new jobs at which they were scheduled to begin work within the next 30 days.

Personas desempleadas son aquellas que no trabajaron durante la semana de la encuesta pero estaban buscando trabajo activamente. Se incluyen también bajo este renglón las personas que hubieran estado buscando trabajo si no hubiera sido porque:

1. esperaban regresar a un empleo del cual habían sido suspendidos por un período indefinido de tiempo.
2. estaban enfermos temporalmente.

Para los fines de preparar los estimados de desempleo, las personas desempleadas se clasifican de acuerdo con la industria y la ocupación de su último empleo. En consecuencia, las personas desempleadas sin experiencia previa de trabajo no se clasifican por industria y ocupación.

El grupo trabajador civil comprende la población civil no institucional de 14 años y más empleada y desempleada.

Las personas fuera del grupo trabajador son todos los civiles de 14 años y más no cubiertos por las definiciones de empleados y desempleados. Esta clasificación se compone de los siguientes grupos:

1. "dedicados a oficios domésticos" - aquellas personas dedicadas a los quehaceres domésticos en su propia casa.
2. "en la escuela" - personas que asisten a la escuela.
3. "incapacitados" - aquellas personas permanentemente incapacitadas para trabajar.

Unemployed persons include those who did not work at all during the survey week, but were actively looking for work. Also included as unemployed are persons who would have been looking for work except that:

1. they expected to return to a job from which they had been laid off for an indefinite period.
2. they were temporarily ill.

For the purpose of preparing unemployment estimates, unemployed persons are classified according to the industry and occupation of their last job. Consequently, persons without previous work experience are not classified by industry and occupation.

The civilian labor force comprises the civilian noninstitutional population 14 years of age and over, employed and unemployed.

All civilian 14 years of age and over, who are not classified as employed or unemployed are classified as not in the labor force. This classification is composed of the following groups:

1. "keeping house" - those persons engaged in their own housework.
2. "at school" - persons attending school.
3. "unable" - those persons permanently unable to work.

4. "otros" - este grupo se compone principalmente de personas retiradas, los ociosos voluntarios y algunos trabajadores en industrias estacionales que en la semana de referencia se encontraban en el período de inactividad de la industria y no estaban buscando trabajo.

CLASIFICACION INDUSTRIAL

Debido a que la información de esta encuesta se obtiene en las viviendas, y la mayor parte de las veces el informante no es la persona a quien se refieren los datos, no es posible hacer una clasificación industrial tan precisa como la que se lleva a cabo para la encuesta de Empleo, Horas y Salarios basada en las nóminas de los establecimientos, que realiza este mismo Negociado.

Estas dos encuestas se complementan, ya que en la de establecimientos no es posible obtener un estimado global de empleo que incluya a las personas que trabajan por su cuenta y a las que trabajan sin paga para un familiar. Tampoco proporciona los medios para estimar desempleo y otras características del grupo trabajador.

En vista de las limitaciones de la encuesta de viviendas con respecto a clasificación industrial, se recomienda a los usuarios que den preferencia a los estimados de empleo por grupo industrial que prepara regularmente este Negociado a base de la encuesta de establecimientos, para aquellas actividades que hasta ahora se están cubriendo en la misma, que son las siguientes:

Manufactura

Minería y canteras de minerales no metálicos

4. "others" - this group includes for the most part, retired persons, the voluntary idle, and certain seasonal workers for whom the reference week fell in an "off" season, and were not looking for work.

INDUSTRIAL CLASSIFICATION

Due to the fact that the information of this survey is obtained from households, and, in most cases, the respondent is not the person to whom the data refer, it is not possible to make an industrial classification as accurate as the one that is made in the survey on Employment, Hours and Earnings based on establishment payrolls which is also carried on by this Bureau.

These two surveys are complementary since the establishment survey does not provide for an overall employment estimate, including the self-employed and unpaid family workers. Nor does it provide the means to estimate unemployment and other characteristics of the labor force.

In view of the limitations of the household survey with regard to industrial classification, users are advised to prefer the estimates by industry group regularly prepared by this Bureau, based on the establishment survey, for the activities covered up to now, which are the following:

Manufacturing

Mining and quarrying of nonmetallic minerals

Comunicacion

Instituciones bancarias

Hoteles y Moteles

Lavanderías y servicios de lavandería, plantas de
limpieza en seco y tintorerías

Cinematografía

Hospitales privados

Por las razones antes expuestas, es el propósito de este Negociado, tan pronto se pueda extender la encuesta de establecimientos para cubrir todas las actividades económicas, suspender la publicación de estimados de empleo por grupo industrial basados en la encuesta de viviendas y limitarse a la publicación de estimados de empleo agrícola y no agrícola.

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Communication

Banking institutions

Hotels and Motels

Laundries, laundry services, and cleaning and dyeing plants

Motion pictures

Private hospitals

For the above reasons, it is the purpose of this Bureau, as soon as it is possible to extend the establishments survey to cover all economic activities, to discontinue the publication of employment estimates by industry groups based on the house survey and limit itself to the publication of agricultural and non-agricultural employment.

Estado Libre Asociado de Puerto Rico - The Commonwealth of Puerto Rico
DEPARTAMENTO DEL TRABAJO - DEPARTMENT OF LABOR
Julia Rivera de Vincenti - Secretaria - Secretary

EMPLEO Y DESEMPLEO EN PUERTO RICO
Mayo de 1972

EMPLOYMENT AND UNEMPLOYMENT IN PUERTO RICO
May 1972

Informe Mensual Número 72-5

Monthly Report Number 72-5

NEGOCIADO DE ESTADISTICAS DEL TRABAJO - BUREAU OF LABOR STATISTICS
Carmelo R. Fortuño - Director Interino - Acting Director
DIVISION DE ESTADISTICAS SOBRE EL GRUPO TRABAJADOR - LABOR FORCE STATISTICS DIVISION
Miguel A. Próspero Altieri, Jefe, Chief
Julio - July
1972

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Empleo y Desempleo en Puerto Rico
Mayo de 1972

Este informe presenta los resultados de la encuesta sobre el grupo trabajador civil realizada por el Negociado de Estadísticas del Trabajo para el mes de mayo de 1972.

A continuación se discuten brevemente los resultados principales de la encuesta y en las tablas que siguen se presenta información detallada sobre las características del grupo trabajador.

Población Civil No Institucional

La población civil no institucional de 14 años y más en mayo de 1972 se estimó en 1,930,000 personas, o sea, 72,000 más que en mayo de 1971 (1,858,000). La cifra correspondiente para abril de 1972 fue 1,924,000.

Grupo Trabajador Civil

El grupo trabajador civil en mayo de 1972 ascendió a 882,000 personas, o sea, tres por ciento mayor que en mayo de 1971 (855,000). En abril de 1972 había 887,000 personas en el grupo trabajador.

En mayo de 1972 las tasas de participación ^{1/} fueron 65.4 para los varones y 27.0 para las mujeres. Las tasas correspondientes para mayo de 1971 fueron 67.0 y 26.2 y para abril de 1972, 66.0 y 27.2.

^{1/} Por ciento de personas de 14 años y más que estaban en el grupo trabajador

Employment and Unemployment in Puerto Rico
May 1972

This report presents the findings of the survey on the labor force carried out by the Bureau of Labor Statistics for the month of May 1972.

A brief summary of the highlights follows, and the accompanying tables present detailed information on the characteristics of the labor force.

Civilian Noninstitutional Population

The civilian noninstitutional population 14 years old and over in May 1972 was estimated at 1,930,000 persons, that is, 72,000 more than in May 1971 (1,858,000). The corresponding figure for April 1972 was 1,924,000.

Civilian Labor Force

The civilian labor force in May 1972 amounted to 882,000 persons, that is, three percent higher than in May 1971 (855,000). In April 1972 there were 887,000 persons in the civilian labor force.

The participation rates ^{1/} for May 1972 were 65.4 for males and 27.0 for females. The corresponding rates for May 1971 were 67.0 and 26.2 and for April 1972, 66.0 and 27.2.

^{1/} Percent of persons 14 years old and over that were in the labor force.

Estado de Empleo de Personas de 16 a 21 años

El grupo trabajador civil entre las edades de 16 a 21 años para mayo de 1972 ascendió a 109,000 (79,000 empleados y 30,000 desempleados). En mayo de 1971 el grupo trabajador para estas edades era 115,000.

La tasa de desempleo para este grupo de personas aumentó de 24.6 por ciento en mayo de 1971 a 27.2 por ciento en mayo de 1972.

Del total de las 245,000 personas de 16 a 21 años que estaban fuera del grupo trabajador en mayo de 1972, el 21 por ciento se dedicaban a oficios domésticos en sus hogares, el 70 por ciento estaban en la escuela y el dos por ciento estaban incapacitados para trabajar. Del restante 7 por ciento, la mayoría estaban ociosos.

Características de los EmpleadosEmpleo Total

El empleo total en mayo de 1972 ascendió a 779,000 personas, es decir, dos por ciento mayor que el registrado en mayo de 1971 (762,000). En abril de 1972 el total de personas empleadas era 782,000.

De las 737,000 personas que informaron haber trabajado en mayo de 1972 el 79 por ciento trabajó 35 horas y más a la semana y el 21 por ciento trabajó menos de 35 horas.

Employment Status of Persons 16 to 21 years Old

The civilian labor force from 16 to 21 years of age in May 1972 amounted to 109,000 (79,000 employed and 30,000 unemployed). In May 1971 the civilian labor force for this age group amounted to 115,000.

The unemployment rate for this group of persons increased from 24.6 percent in May 1971 to 27.2 percent in May 1972.

Of the 245,000 persons 16 to 21 years old not in the labor force in May 1972, twenty one percent were engaged in housekeeping, 70 percent were at school and two percent were unable to work. Most of the remaining 7 percent were idle.

Characteristics of the EmployedTotal Employment

Total employment increased by two percent, from 762,000 in May 1971 to 779,000 in May 1972. In April 1972 total employment amounted to 782,000.

Seventy nine percent of the 737,000 persons reported as "at work" in May 1972, worked 35 hours or more a week and 21 percent worked less than 35 hours.

Había 42,000 personas "con empleo pero no trabajando" (ausentes temporalmente del trabajo por vacaciones, enfermedad, etc.). Del total de personas empleadas en mayo de 1972, alrededor del 69 por ciento eran varones.

Empleo No Agrícola

En mayo de 1972 había 715,000 personas empleadas en las industrias no agrícolas, en comparación con 692,000 en mayo de 1971. Esto representa un aumento de 3.4 por ciento. Hubo aumentos de empleo en administración pública (25,000), en la industria de servicios (8,000), en manufactura (7,000), y en transportación, comunicación y utilidades públicas (2,000). Hubo reducción de empleo en construcción (13,000) y en comercio (6,000). El empleo en la industria de finanzas, seguros y bienes raíces no registró cambios de importancia. En abril de 1972 el total de personas empleadas en las industrias no agrícolas era 715,000.

Empleo Agrícola

En mayo de 1972 el empleo agrícola total ascendió a 64,000 personas, o sea, 9.5 por ciento menos que en mayo de 1971 (71,000). Hubo reducción de empleo en las fincas de caña (4,000), y en "otras fincas" (piña, ganadería y frutos menores, etc.) (4,000), mientras que el empleo en fincas de café y tabaco no registró cambios de

There were 42,000 persons "employed but not at work" (temporarily absent from work due to vacations, sick leave, etc.). Of the total employed persons in May 1972, about 69 percent were males.

Nonagricultural Employment

In May 1972 there were 715,000 persons employed in nonagricultural industries as compared to 692,000 in May 1971. This represents an increase of 3.4 percent. There were employment increases in public administration (25,000), service industries (8,000), manufacturing (7,000), and transportation, communication and public utilities (2,000). There were employment decreases in construction (13,000) and in trade (6,000). The employment in finance, insurance and real estate did not register important changes. In April 1972 the total nonagricultural employment amounted to 715,000.

Agricultural Employment

In May 1972, total agricultural employment amounted to 64,000 persons, that is, 9.5 percent lower than in May 1971 (71,000). There was an employment decrease in sugar cane farms (4,000) and in "other farms" (pineapple, live stock, minor crops, etc.) (4,000), while the employment in coffee, and tobacco farms did not register

importancia. En abril de 1972 había 67,000 empleados en la agricultura.

Empleo Por Nivel Educativo

En mayo de 1972, el nivel educativo mediano de las 779,000 personas empleadas era 10.6 años. La cifra correspondiente para mayo de 1971 era 10.0 años.

Alrededor del 5 por ciento de los empleados en mayo de 1972 informó no haber completado ningún año escolar, mientras que el 19 por ciento informó haber cursado 13 años y más de escuela. El 26 por ciento informó haber completado 12 años de escuela.

Estado Marital de los Empleados

Alrededor del 72 por ciento del total de personas empleadas en mayo de 1972 estaban casadas, el 22 por ciento eran solteros y el 6 por ciento eran viudos o divorciados.

Relación de los Empleados con el Jefe de la Vivienda

Del total de personas empleadas en mayo de 1972, el 59 por ciento eran jefes de la vivienda, el 20 por ciento eran hijos del jefe y el 16 por ciento eran cónyuges del jefe. El restante 5 por ciento eran otros familiares del jefe y personas particulares.

important changes. In April 1972 there were 67,000 persons employed in agriculture.

Educational Level of the Employed

The median educational level of the 779,000 employed persons in May 1972 was 10.6 years. The corresponding figure for May 1971 was 10.0 years.

About five percent of the employed in May 1972 reported no schooling at all, while 19 percent reported 13 years of schooling or more. Twenty six percent reported that they had completed 12 years of schooling.

Marital Status of the Employed

About 72 percent of the total employed persons in May 1972 were married, 22 percent were single, and 6 percent were widowed or divorced.

Household Relationship of the Employed

Of the total employed persons in May 1972, fifty nine percent were household heads, 20 percent were sons or daughters of the household head and 16 percent were spouses of the head. The remaining 5 percent were other relatives of the head and non relatives.

Características de los Desempleados

Desempleo Total

El desempleo total aumentó de 92,000 en mayo de 1971 a 103,000 en mayo de 1972 y la tasa de desempleo aumentó de 10.8 a 11.6 por ciento. En abril de 1972 había 104,000 personas desempleadas y la tasa de desempleo era 11.8 por ciento.

El desempleo total ajustado estacionalmente fue 113,000 en abril de 1972 y 114,000 en mayo de 1972. Las tasas de desempleo ajustadas fueron 12.5 y 12.8 por ciento, respectivamente.

Del total de desempleados en mayo de 1972, alrededor del 75 por ciento eran varones.

Alrededor del 57 por ciento de los desempleados en mayo de 1972 informaron un período de desempleo ^{1/} de 4 semanas o menos, mientras que el 10 por ciento informó uno de 15 semanas o más. La duración promedio del desempleo fue 6.6 semanas.

Desempleo Agrícola

El desempleo agrícola total para mayo de 1971 y mayo de 1972 se mantuvo al mismo nivel (6,000).

1/ Se refiere al último período de desempleo.

Characteristics of the Unemployed

Total Unemployment

Total unemployment increased from 92,000 in May 1971 to 103,000 in May 1972 and the unemployment rate increased from 10.8 to 11.6 percent. In April 1972 there were 104,000 unemployed persons and the unemployment rate was 11.8 percent.

The seasonally adjusted total unemployment was 113,000 in April 1972 and 114,000 in May 1972. The adjusted unemployment rate were 12.5 and 12.8 percent, respectively.

Of the total unemployed persons in May 1972, about 75 percent were males.

About 57 percent of the unemployed in May 1972 reported an unemployment period ^{1/} of four weeks or less, while 10 percent reported 15 weeks or more. The average unemployment duration was 6.6 weeks.

Unemployment in Agriculture

Total agricultural unemployment for May 1971 and May 1972 reached at the same level (6,000).

1/ Refers to the latest unemployment spell.

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La cifra correspondiente para abril de 1972 fue 6,000. El desempleo agrícola ajustado estacionalmente fue 10,000 para abril y 9,000 para mayo de 1972.

Desempleo No Agrícola

En mayo de 1972 había 88,000 personas desempleadas en las industrias no agrícolas en comparación con 79,000 en mayo de 1971. La cifra correspondiente para abril de 1972 fue 88,000.

Desempleo Por Edad

En mayo de 1972, el 47 por ciento de los desempleados tenían menos de 25 años de edad y la tasa de desempleo para ese grupo de edad era 22.3 por ciento. El 39 por ciento tenían de 25 a 44 años con una tasa de desempleo de 9.1 por ciento. El 15 por ciento eran mayores de 44 años y la tasa de desempleo era de 6.6 por ciento.

Desempleo Por Nivel Educativo

En mayo de 1972 el nivel educativo mediano de los desempleados era 9.1 años. Alrededor del 3 por ciento informaron no haber completado ningún año escolar y el 55 por ciento había completado de 1 a 9 años de escuela. Sólo el 6 por ciento había completado 13 años o más de escuela.

The corresponding figure for April 1972 was 6,000. The seasonally adjusted agricultural unemployment was 10,000 for April and 9,000 for May 1972.

Nonagricultural Unemployment

In May 1972 there were 88,000 persons unemployed in nonagricultural industries as compared to 79,000 in May 1971. The corresponding figure for April 1972 was 88,000.

Unemployment By Age

Forty seven percent of the unemployed in May 1972, were under 25 years of age and the unemployment rate for this age group was 22.3 percent. Thirty nine percent were from 25 to 44 years and the unemployment rate for this age group was 9.1 percent. Fifteen percent were over 44 years and the unemployment rate amounted to 6.6 percent.

Educational Level of the Unemployed

The median educational level of the unemployed in May 1972 was 9.1 years. About 3 percent were reported as having no schooling at all and 55 percent had completed 1 to 9 years of schooling. Only 6 percent had completed 13 years of schooling or more.

Las tasas de desempleo para los diferentes niveles educacionales fluctuaron entre 3.7 por ciento para los que tenían 13 años y más de escuela a 17.0 por ciento para los que informaron haber cursado de 10 a 11 años.

Estado Marital de los Desempleados

De las personas que informaron estar desempleadas en mayo de 1972, alrededor del 44 por ciento estaban solteros, 53 por ciento estaban casados y el 3 por ciento eran viudos o divorciados.

Las tasas de desempleo fueron 21.1 por ciento para los solteros, 8.8 por ciento para los casados y 6.6 por ciento para los viudos o divorciados.

Relación de los Desempleados con el Jefe de la Vivienda

Del total de desempleados en mayo de 1972, el 39 por ciento eran jefes de la vivienda, 43 por ciento eran hijos del jefe y el 9 por ciento eran otros familiares del jefe. El restante 9 por ciento eran cónyuges del jefe y personas particulares.

La tasa de desempleo para los jefes de la vivienda fue 8.0 por ciento y la de los hijos de los jefes fue 21.8 por ciento.

The unemployment rates for the different educational levels ranged from 3.7 percent for those with 13 years of schooling or more to 17.0 percent for those who reported 10 to 11 years.

Marital Status of the Unemployed

Of the total unemployed in May 1972, about 44 percent were single, 53 percent were married, and 3 percent were widowed or divorced.

The unemployment rates were 21.1 percent for the single, 8.8 percent for the married, and 6.6 percent for the widowed or divorced.

Household Relationship of the Unemployed

About 39 percent of the total unemployed in May 1972 were household heads, 43 percent were sons or daughters of the household head, and 9 percent were other relatives of the household head. The remaining 9 percent were spouses of the head and non relatives.

The unemployment rates for the household heads and for the sons or daughters of the head were 8.0 and 21.8 percent, respectively.

Personas Fuera del Grupo Trabajador

El número de personas fuera del grupo trabajador aumentó de 1,003,000 en mayo de 1971 a 1,048,000 en mayo de 1972. La cifra correspondiente para abril de 1972 fue 1,037,000. Del total de 1,048,000 personas fuera del grupo trabajador en mayo de 1972, el 54 por ciento se dedicaban a oficios domésticos en sus hogares, el 29 por ciento estaban en la escuela y el 5 por ciento estaban incapacitados para trabajar. Del restante 13 por ciento la mayoría estaban ociosos.

Persons Not in the Labor Force

The number of persons not in the labor force increased from 1,003,000 in May 1971 to 1,048,000 in May 1972. The corresponding figure for April 1972 was 1,037,000. Of the 1,048,000 persons not in the labor force in May 1972, fifty four percent were engaged in housekeeping, 29 percent were at school and 5 percent were unable to work. Most of the remaining 13 percent were idle.

Tabla 1 - ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
(Miles de personas de 14 años y más)

Table 1 - EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
(Thousands of persons 14 years of age and over)

| Estado de Empleo | Ambos Sexos - Both Sexes | | | Varones - Male | | | Hembras - Female | | | Employment Status |
|----------------------------------|--------------------------|------------------------|---------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|--------------------------------------|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Población civil no institucional | 1930 | 1924 | 1858 | 939 | 936 | 902 | 991 | 988 | 956 | Civilian noninstitutional population |
| Grupo trabajador | 882 | 887 | 855 | 614 | 618 | 604 | 268 | 269 | 250 | Labor force |
| Empleados | 779 | 782 | 762 | 537 | 541 | 537 | 242 | 241 | 226 | Employed |
| Trabajando | 737 | 747 | 729 | 504 | 515 | 514 | 233 | 232 | 215 | At work |
| Menos de 35 horas | 157 | 162 | 145 | 98 | 103 | 91 | 59 | 59 | 54 | Less than 35 hours |
| 35 horas y más | 580 | 584 | 584 | 406 | 411 | 423 | 174 | 173 | 161 | 35 hours or more |
| Con empleo pero no trabajando | 42 | 35 | 33 | 33 | 26 | 23 | 9 | 9 | 10 | With a job but not at work |
| Desempleados | 103 | 104 | 92 | 77 | 77 | 68 | 25 | 27 | 25 | Unemployed |
| Agricultura | 6 | 6 | 6 | 5 | 5 | 6 | a/ | a/ | a/ | Agriculture |
| Industrias no agrícolas | 88 | 88 | 79 | 67 | 66 | 58 | 21 | 22 | 21 | Nonagricultural industries |
| No clasificados 1/ | 9 | 10 | 7 | 5 | 6 | 4 | 5 | 4 | 4 | Not classified 1/ |
| Fuera del grupo trabajador | 1048 | 1037 | 1003 | 325 | 318 | 297 | 723 | 719 | 706 | Not in the labor force |
| Tasas de desempleo: 2/ | | | | | | | | | | Unemployment rates: 2/ |
| Total | 11.6 | 11.8 | 10.8 | 12.6 | 12.5 | 11.2 | 9.5 | 10.2 | 9.8 | Total |
| Agricultura | 8.2 | 8.0 | 8.4 | 8.1 | 7.8 | 8.5 | a/ | a/ | a/ | Agriculture |
| Industrias no agrícolas | 10.9 | 11.0 | 10.2 | 12.4 | 12.1 | 11.0 | 7.9 | 8.6 | 8.5 | Nonagricultural industries |

1/ Este grupo se compone principalmente de personas sin experiencia previa de trabajo.
This group consists mainly of persons without previous work experience.

2/ Por ciento del grupo trabajador. - Percent of the labor force.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 1A - ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
(Miles de personas de 16 a 21 años)
Table 1A - EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
(Thousands of persons 16 to 21 years)

| Estado de Empleo | Ambos Sexos-Both Sexes | | | Varones - Male | | | Hembras - Female | | | Employment Status |
|----------------------------------|------------------------|------------------------|---------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|--------------------------------------|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Población civil no institucional | 353 | 353 | 350 | 180 | 180 | 177 | 173 | 173 | 173 | Civilian noninstitutional population |
| Grupo Trabajador | 109 | 107 | 115 | 74 | 75 | 78 | 34 | 32 | 37 | Labor force |
| Empleados | 79 | 78 | 87 | 53 | 53 | 58 | 26 | 26 | 28 | Employed |
| Trabajando | 76 | 76 | 83 | 50 | 51 | 56 | 25 | 25 | 27 | At work |
| Con empleo pero no trabajando | 3 | a/ | 4 | 3 | a/ | a/ | a/ | a/ | a/ | With a job but not at work |
| Desempleados | 30 | 29 | 28 | 22 | 23 | 20 | 8 | 6 | 8 | Unemployed |
| Tasa de desempleo 1/ | 27.2 | 27.0 | 24.6 | 29.2 | 30.1 | 25.5 | 23.0 | 19.6 | 22.9 | Unemployment rate 1/ |
| Fuera del grupo trabajador | 245 | 245 | 235 | 105 | 104 | 98 | 139 | 141 | 136 | Not in the labor force |
| En oficios domésticos | 51 | 53 | 56 | a/ | a/ | a/ | 51 | 52 | 56 | Keeping house |
| En la escuela | 172 | 169 | 157 | 85 | 82 | 78 | 88 | 87 | 79 | At school |
| Incapacitados | 4 | 4 | 3 | 3 | 3 | a/ | a/ | a/ | a/ | Unable |
| Otros | 18 | 20 | 19 | 18 | 20 | 19 | a/ | a/ | a/ | Others |

1/ Por ciento del grupo trabajador. - Percent of the labor force.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 1B - GRUPO TRABAJADOR, EMPLEO Y DESEMPLEO REGISTRADOS Y AJUSTADOS ESTACIONALMENTE, POR TIPO DE INDUSTRIA
(En Miles)

Table 1B - ACTUAL AND SEASONALLY ADJUSTED LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT, BY TYPE OF INDUSTRY
(In Thousands)

| Estado de Empleo | Mayo - May 1972 | | Abril - April 1972 | | Employment Status |
|----------------------------------|----------------------|----------------------|-----------------------|----------------------|----------------------------------|
| | Registrado Actual | Ajustado Adjusted | Registrado Actual | Ajustado Adjusted | |
| Grupo Trabajador | 882 | 892 | 887 | 901 | Labor Force |
| Agricultura | 70 | 72 | 73 | 73 | Agriculture |
| Industrias no agrícolas | 803 | 809 | 804 | 815 | Nonagricultural industries |
| Empleo | 779 | 778 | 782 | 788 | Employment |
| Agricultura | 64 | 63 | 67 | 63 | Agriculture |
| Industrias no agrícolas | 715 | 715 | 715 | 725 | Nonagricultural industries |
| Desempleo | 103 | 114 | 104 | 113 | Unemployment |
| Agricultura | 6 | 9 | 6 | 10 | Agriculture |
| Industrias no agrícolas | 88 | 95 | 88 | 90 | Nonagricultural industries |
| No clasificados ^{1/} | 9 | 11 | 10 | 13 | Not classified ^{1/} |
| Tasas de desempleo ^{2/} | | | | | Unemployment rates ^{2/} |
| Total | 11.6 | 12.8 | 11.8 | 12.5 | Total |
| Agricultura | 8.2 | 12.5 | 8.0 | 13.3 | Agriculture |
| Industrias no agrícolas | 10.9 | 11.7 | 11.0 | 11.1 | Nonagricultural industries |

^{1/} Este grupo se compone principalmente de personas sin experiencia previa de trabajo.
This group consists mainly of persons without previous work experience.

^{2/} Por ciento del grupo trabajador. - Percent of the labor force.

Tabla 1-C TASAS DE DESEMPLEO AJUSTADAS ESTACIONALMENTE

Table 1-C UNEMPLOYMENT RATES SEASONALLY ADJUSTED

| Año y Mes | Total | Agrícola Agricultural | No Agrícola Nonagricultural | Year and Month |
|--------------|-------|--------------------------|--------------------------------|----------------|
| 1971 - Enero | 10.8 | 19.6 | 9.2 | 1971 - January |
| Febrero | 12.7 | 19.6 | 11.0 | February |
| Marzo | 11.7 | 16.4 | 10.3 | March |
| Abril | 11.5 | 13.4 | 10.2 | April |
| Mayo | 12.1 | 12.1 | 11.1 | May |
| Junio | 12.3 | 15.5 | 11.1 | June |
| Julio | 11.9 | 12.3 | 10.8 | July |
| Agosto | 12.4 | 16.5 | 11.1 | August |
| Septiembre | 12.7 | 14.9 | 11.3 | September |
| Octubre | 12.5 | 10.6 | 11.6 | October |
| Noviembre | 12.2 | 13.1 | 10.8 | November |
| Diciembre | 11.9 | 14.7 | 10.4 | December |
| 1972 - Enero | 11.9 | 13.7 | 10.6 | 1972 - January |
| Febrero | 13.1 | 19.6 | 10.9 | February |
| Marzo | 12.9 | 16.9 | 11.4 | March |
| Abril | 12.5 | 13.3 | 11.1 | April |
| Mayo | 12.8 | 12.5 | 11.7 | May |

Tabla 2 - ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR EDAD Y SEXO
 Mayo de 1972
 (Miles de personas de 14 años y más)
 Table 2 - EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY AGE AND SEX
 May 1972
 (Thousands of persons 14 years of age and over)

| Edad y Sexo | Grupo Trabajador Civil - Civilian Labor Force | | | | | Fuera del Grupo Trabajador Not in the Labor Force | Age and Sex |
|---------------|---|-------------------------------|---|---------------------------|-----------------|--|-------------------|
| | Total | Empleados - Employed | | Desempleados - Unemployed | | | |
| | | Agricultura 1/ Agriculture | Industrias No Agrícolas Nonagricultural Industries | Número Number | Tasa 2/ Rate | | |
| Total | 882 | 64 | 715 | 103 | 11.6 | 1048 | Total |
| Varones | 614 | 62 | 475 | 77 | 12.6 | 325 | Male |
| 14 a 19 años | 40 | 5 | 23 | 11 | 28.3 | 147 | 14 to 19 years |
| 20 a 24 años | 105 | 5 | 76 | 24 | 22.6 | 34 | 20 to 24 years |
| 25 a 34 años | 174 | 7 | 149 | 18 | 10.3 | 21 | 25 to 34 years |
| 35 a 44 años | 118 | 6 | 101 | 11 | 9.0 | 13 | 35 to 44 years |
| 45 a 54 años | 92 | 12 | 73 | 7 | 8.1 | 19 | 45 to 54 years |
| 55 a 64 años | 61 | 14 | 42 | 6 | 9.3 | 26 | 55 to 64 years |
| 65 años o más | 25 | 13 | 11 | a/ | a/ | 65 | 65 years and over |
| Hembras | 268 | a/ | 241 | 25 | 9.5 | 723 | Female |
| 14 a 19 años | 15 | a/ | 9 | 5 | 36.2 | 165 | 14 to 19 years |
| 20 a 24 años | 55 | a/ | 48 | 8 | 13.8 | 79 | 20 to 24 years |
| 25 a 34 años | 88 | a/ | 80 | 7 | 8.3 | 127 | 25 to 34 years |
| 35 a 44 años | 58 | a/ | 54 | 4 | 6.3 | 97 | 35 to 44 years |
| 45 a 54 años | 35 | a/ | 34 | a/ | a/ | 89 | 45 to 54 years |
| 55 a 64 años | 13 | a/ | 13 | a/ | a/ | 75 | 55 to 64 years |
| 65 años o más | 3 | a/ | 2 | a/ | a/ | 91 | 65 years and over |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Por ciento del grupo trabajador. - Percent of the labor force.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 3 - PERSONAS EMPLEADAS, POR HORAS SEMANALES TRABAJADAS

Mayo de 1972

(Miles de personas de 14 años y más)

Table 3 - EMPLOYED PERSONS, BY WEEKLY HOURS WORKED

May 1972

(Thousands of person 14 years of age and over)

| Horas Trabajadas | T o t a l | Agricultura 1/ Agriculture | Industrias No Agrícolas Nonagricultural Industries | Hours Worked |
|-------------------------------|-----------|-------------------------------|---|----------------------------|
| Total empleados | 779 | 64 | 715 | Total employed |
| Trabajando | 737 | 62 | 676 | At work |
| 1 a 3/4 horas | 157 | 30 | 127 | 1 to 3/4 hours |
| 1 a 14 horas | 17 | 4 | 13 | 1 to 14 hours |
| 15 a 3/4 horas | 140 | 25 | 115 | 15 to 3/4 hours |
| 35 a 39 horas | 63 | 3 | 60 | 35 to 39 hours |
| 40 horas | 421 | 19 | 401 | 40 hours |
| 41 a 47 horas | 17 | g/ | 16 | 41 to 47 hours |
| 48 horas | 62 | 6 | 56 | 48 hours |
| 49 horas o más | 17 | 2 | 15 | 49 hours and over |
| Promedio de horas 2/ | 37.3 | 32.4 | 37.8 | Average hours 2/ |
| Con empleo pero no trabajando | 42 | a/ | 40 | With a job but not at work |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Calculado de los datos sin agrupar. - Computed from ungrouped data.

3/ Muy pocos casos en la muestra para un estimado confiable.
Not enough cases in the sample for a reliable estimate.

Tabla 4 - PERSONAS EMPLEADAS, POR TIPO DE INDUSTRIA, CLASE DE TRABAJADOR Y SEXO

Mayo de 1972

(Miles de personas de 14 años y más)

Table 4 - EMPLOYED PERSONS, BY TYPE OF INDUSTRY, CLASS OF WORKER AND SEX

May 1972

(Thousands of persons 14 years of age and over)

| Tipo de Industria y Clase de Trabajador | Ambos Sexos Both Sexes | Varones Male | Hembras Female | |
|---|---------------------------|-----------------|-------------------|----------------------------|
| Todas las industrias | 779 | 537 | 242 | All industries |
| Empleados asalariados | 650 | 431 | 219 | Wage and salary workers |
| Gobierno | 199 | 121 | 78 | Government |
| Privado | 451 | 310 | 141 | Private |
| Empleados por su cuenta | 118 | 100 | 18 | Self-employed workers |
| Familiares sin paga | 12 | 6 | 6 | Unpaid family workers |
| Agricultura ^{1/} | 64 | 62 | a/ | Agriculture ^{1/} |
| Empleados asalariados | 36 | 35 | a/ | Wage and salary workers |
| Empleados por su cuenta | 24 | 23 | a/ | Self-employed workers |
| Familiares sin paga | 4 | 4 | a/ | Unpaid family workers |
| Industrias no agrícolas | 715 | 475 | 241 | Nonagricultural industries |
| Empleados asalariados | 614 | 395 | 218 | Wage and salary workers |
| Empleados por su cuenta | 94 | 77 | 17 | Self-employed workers |
| Familiares sin paga | 7 | 2 | 5 | Unpaid family workers |

^{1/} Incluye silvicultura y pesca. - Includes forestry and fishing.^{a/} Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 5 - PERSONAS EMPLEADAS, POR GRUPO INDUSTRIAL Y SEXO
(Miles de personas de 14 años y más)

Table 5 - EMPLOYED PERSONS, BY INDUSTRY GROUP AND SEX
(Thousands of persons 14 years of age and over)

| Grupo Industrial * | Ambos Sexos - Both Sexes | | | Varones - Male | | | Hembras - Female | | | Industry Group * |
|--|--------------------------|------------------------|---------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|--|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Todas las Industrias | 779 | 782 | 762 | 537 | 541 | 537 | 242 | 241 | 226 | All Industries |
| Agricultura 1/ | 64 | 67 | 71 | 62 | 64 | 68 | a/ | 3 | 2 | Agriculture 1/ |
| Finca de caña | 19 | 22 | 23 | 19 | 22 | 23 | a/ | a/ | a/ | Sugar cane farms |
| Finca de tabaco | a/ | 4 | 2 | a/ | 3 | a/ | a/ | a/ | a/ | Tobacco farms |
| Finca de café | 7 | 6 | 6 | 7 | 5 | 6 | a/ | a/ | a/ | Coffee farms |
| Otros 1/ | 36 | 35 | 40 | 35 | 34 | 38 | a/ | a/ | a/ | Other 1/ |
| Industrias no agrícolas | 715 | 715 | 692 | 475 | 477 | 468 | 241 | 238 | 223 | Nonagricultural industries |
| Manufactura | 152 | 149 | 145 | 82 | 82 | 80 | 70 | 67 | 65 | Manufacturing |
| Construcción | 78 | 79 | 91 | 77 | 77 | 89 | a/ | a/ | 2 | Construction |
| Comercio | 142 | 145 | 147 | 104 | 104 | 108 | 38 | 41 | 40 | Trade |
| Transportación, comunicación y utilidades públicas | 54 | 53 | 52 | 48 | 48 | 46 | 6 | 5 | 6 | Transportation, communication and public utilities |
| Servicios | 271 | 273 | 239 | 152 | 156 | 134 | 119 | 117 | 105 | Service industries |
| Administración Pública | 138 | 139 | 113 | 78 | 79 | 63 | 61 | 60 | 50 | Public Administration |
| Otros | 133 | 134 | 125 | 75 | 77 | 71 | 58 | 57 | 55 | Other |
| Otras industrias 2/ | 18 | 16 | 18 | 11 | 10 | 12 | 7 | 7 | 6 | Other industries 2/ |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Incluye minería; y finanzas, seguros y bienes raíces. - Includes mining; and finance, insurance, and real estate.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

* Véase nota sobre Clasificación Industrial al final de este informe.
See note on Industrial Classification at the end of this report.

Tabla 5A - EMPLEADOS ASALARIADOS, POR GRUPO INDUSTRIAL Y SEXO
(Miles de personas de 14 años y más)

Table 5A - WAGE AND SALARY WORKERS, BY INDUSTRY GROUP AND SEX
(Thousands of persons 14 years of age and over)

| Grupo Industrial * | Ambos Sexos - Both Sexes | | | Varones - Male | | | Mujeres - Female | | | Industry Group * |
|--|--------------------------|------------------------|---------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|--|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Todas las industrias | 650 | 651 | 624 | 431 | 434 | 426 | 219 | 217 | 198 | All industries |
| Agricultura 1/ | 36 | 39 | 39 | 35 | 38 | 39 | a/ | a/ | a/ | Agriculture 1/ |
| Fincas de caña | 18 | 21 | 22 | 18 | 21 | 22 | a/ | a/ | a/ | Sugar cane farms |
| Fincas de tabaco | a/ | a/ | a/ | a/ | a/ | a/ | a/ | a/ | a/ | Tobacco farms |
| Fincas de café | 3 | 3 | 3 | 3 | 3 | 3 | a/ | a/ | a/ | Coffee farms |
| Otros 1/ | 14 | 14 | 15 | 14 | 13 | 14 | a/ | a/ | a/ | Other 1/ |
| Industrias no agrícolas | 614 | 612 | 584 | 395 | 396 | 387 | 218 | 216 | 197 | Nonagricultural industries |
| Manufactura | 149 | 146 | 140 | 79 | 79 | 76 | 70 | 67 | 64 | Manufacturing |
| Construcción | 73 | 73 | 86 | 72 | 71 | 84 | a/ | a/ | 2 | Construction |
| Comercio | 94 | 93 | 93 | 68 | 66 | 68 | 26 | 28 | 25 | Trade |
| Transportación, comuni- cación y utilidades públicas | 42 | 41 | 40 | 36 | 37 | 35 | 6 | 5 | 6 | Transportation, communica- tion and public utilities |
| Servicios | 239 | 242 | 208 | 130 | 134 | 113 | 109 | 108 | 95 | Service industries |
| Administración Pública | 138 | 139 | 113 | 78 | 79 | 63 | 61 | 60 | 50 | Public Administration |
| Otros | 101 | 103 | 95 | 52 | 55 | 51 | 48 | 48 | 44 | Other |
| Otras industrias 2/ | 17 | 16 | 17 | 10 | 9 | 11 | 7 | 6 | 6 | Other industries 2/ |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Incluye minería y finanzas, seguros y bienes raíces. - Includes mining and finance, insurance, and real estate.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

* Véase nota sobre Clasificación Industrial al final de este informe.

See note on Industrial Classification at the end of this report.

Tabla 6 - PERSONAS EMPLEADAS, POR GRUPO OCUPACIONAL PRINCIPAL Y SEXO
(Miles de personas de 14 años y más)

Table 6 - EMPLOYED PERSONS, BY MAJOR OCCUPATIONAL GROUP AND SEX
(Thousands of persons 14 years of age and over)

| Grupo Ocupacional Principal | Ambos Sexos - Both Sexes | | | Varones - Male | | | Hembras - Female | | | Major Occupational Group |
|---|--------------------------|------------------------|---------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|--|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Todos los grupos | 779 | 782 | 762 | 537 | 541 | 537 | 242 | 241 | 226 | All groups |
| Trabajadores profesionales | 77 | 74 | 63 | 39 | 38 | 31 | 37 | 36 | 32 | Professional workers |
| Trabajadores semi-profesionales | 14 | 15 | 13 | 11 | 11 | 9 | 4 | 4 | 3 | Semi-professional workers |
| Agricultores y administradores de fincas | 23 | 23 | 26 | 23 | 23 | 25 | a/ | a/ | a/ | Farmers and farm managers |
| Propietarios, administradores y oficiales excepto de fincas | 71 | 70 | 77 | 59 | 58 | 66 | 11 | 12 | 12 | Proprietors, managers and officials except farm |
| Oficinistas, vendedores y trabajadores análogos | 139 | 143 | 133 | 69 | 72 | 68 | 70 | 71 | 65 | Clerical, sales and kindred workers |
| Artesanos, capataces y trabajadores análogos | 110 | 106 | 106 | 107 | 104 | 103 | 3 | 3 | 3 | Craftsmen, foremen and kindred workers |
| Operarios y trabajadores análogos | 153 | 152 | 144 | 89 | 88 | 86 | 64 | 64 | 58 | Operatives and kindred workers |
| Trabajadores en servicio doméstico | 12 | 12 | 12 | a/ | a/ | a/ | 11 | 11 | 12 | Private household workers |
| Trabajadores en servicio protectorio | 24 | 20 | 18 | 23 | 20 | 18 | a/ | a/ | a/ | Protective service workers |
| Otros servicios (personales, comerciales, de mantenimiento, etc.) | 71 | 71 | 66 | 31 | 32 | 29 | 39 | 39 | 36 | Other services (personal, commercial, maintenance, etc.) |
| Obreros y mayordomos de fincas | 37 | 39 | 40 | 36 | 36 | 39 | a/ | 2 | a/ | Farm laborers and foremen |
| Obreros, excepto de fincas | 50 | 58 | 64 | 49 | 57 | 61 | a/ | a/ | 2 | Laborers, except farm |

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 6A - PERSONAS EMPLEADAS, POR NIVEL EDUCACIONAL, ESTADO MARITAL Y RELACION CON EL JEFE
 Mayo y Abril de 1972 y Mayo de 1971
 Table 6A - EMPLOYED PERSONS, BY EDUCATIONAL LEVEL, MARITAL STATUS, AND HOUSEHOLD RELATIONSHIP
 May and April 1972 and May 1971

| Características | Distribución Porcentual - Percent Distribution | | | Characteristics |
|--|--|-----------------------|--------------------|-------------------------------------|
| | Mayo - May 1972 | Abril - April 1972 | Mayo - May 1971 | |
| <u>ULTIMO GRADO ESCOLAR COMPLETADO</u> | | | | <u>HIGHEST GRADE COMPLETED</u> |
| Total | 100.0 | 100.0 | 100.0 | Total |
| Ninguno | 4.5 | 4.2 | 4.9 | None |
| 1 - 3 | 9.2 | 10.0 | 10.4 | 1 - 3 |
| 4 - 6 | 16.9 | 16.5 | 18.0 | 4 - 6 |
| 7 - 9 | 17.4 | 16.2 | 16.9 | 7 - 9 |
| 10 - 11 | 7.4 | 7.6 | 7.5 | 10 - 11 |
| 12 | 26.0 | 25.6 | 25.3 | 12 |
| 13 y más | 18.7 | 19.5 | 16.9 | 13 and over |
| Mediana de años escolares completados 1/ | 10.6 | 10.8 | 10.0 | Median of school years completed 1/ |
| <u>ESTADO MARITAL</u> | | | | <u>MARITAL STATUS</u> |
| Total | 100.0 | 100.0 | 100.0 | Total |
| Soltero | 21.8 | 21.9 | 21.4 | Single |
| Casado | 72.0 | 72.0 | 73.5 | Married |
| Cónyuge presente | 68.1 | 68.0 | 69.5 | Spouse present |
| Cónyuge ausente 2/ | 3.9 | 4.0 | 4.0 | Spouse absent 2/ |
| Viudo o Divorciado | 6.1 | 6.1 | 5.1 | Widowed or Divorced |
| <u>RELACION CON EL JEFE</u> | | | | <u>HOUSEHOLD RELATIONSHIP</u> |
| Total | 100.0 | 100.0 | 100.0 | Total |
| Jefe | 58.9 | 58.8 | 59.9 | Household head |
| Esposa del jefe | 15.5 | 15.7 | 14.9 | Wife of head |
| Hijo del jefe | 20.2 | 20.3 | 20.0 | Child of head |
| Otros familiares del jefe | 4.6 | 4.5 | 4.3 | Other relatives of head |
| Particulares | 0.7 | 0.6 | 0.8 | Non relatives |

1/ Punto en la escala de años escolares completados que divide la distribución en dos partes iguales.
 Point on the scale of school years completed which divides the distribution into two equal parts.

2/ Incluye separados. - Includes separated.

Tabla 7 - DISTRIBUCION DE LOS DESEMPLEADOS, POR DURACION
(Miles de personas de 14 años y más)

Table 7 - DISTRIBUTION OF THE UNEMPLOYED, BY DURATION
(Thousands of persons 14 years of age and over)

| Duración 1/ | Mayo - May 1972 | | Abril - April 1972 | | Mayo - May 1971 | | Duration 1/ |
|--------------------|--------------------|-----------------------|-----------------------|------------------|--------------------|------------------|-------------------|
| | Número Number | Por ciento Percent | Número Number | Número Number | Número Number | Número Number | |
| Total | 103 | 100.0 | 104 | | 92 | | Total |
| Menos de 5 semanas | 59 | 57.3 | 59 | | 58 | | Less than 5 weeks |
| 5 a 14 semanas | 34 | 32.8 | 31 | | 28 | | 5 to 14 weeks |
| 15 semanas o más | 10 | 9.9 | 15 | | 6 | | 15 weeks and over |

1/ Se refiere al último período de desempleo. - Refers to the latest unemployment spell.

Tabla 7 A - PROMEDIO^{1/} DE DURACION DEL DESEMPLEO, POR TIPO DE INDUSTRIA
(Semanas)

Table 7 A - AVERAGE^{1/} UNEMPLOYMENT DURATION, BY TYPE OF INDUSTRY
(Weeks)

| Tipo de Industria | Mayo - May 1972 | Abril - April 1972 | Mayo - May 1971 | Type of Industry |
|--------------------------------------|--------------------|-----------------------|--------------------|--------------------------------|
| Total | 6.6 | 7.4 | 5.7 | Total |
| Agricultura | 4.9 | 5.8 | 4.9 | Agriculture |
| Industrias no agrícolas | 6.7 | 7.5 | 5.5 | Nonagricultural industries |
| Sin experiencia previa de trabajo | 6.3 | 7.6 | 8.0 | No previous work experience |

1/ Promedio calculado de los datos sin agrupar. - Average computed from ungrouped data.

Tabla 8 - PERSONAS DESEMPLEADAS, POR INDUSTRIA DEL ULTIMO EMPLEO
 Mayo y Abril de 1972 y Mayo de 1971
 Table 8 - UNEMPLOYED PERSONS, BY INDUSTRY OF LAST JOB
 May and April 1972 and May 1971

| Industria | Tasa de Desempleo Unemployment Rate | | | Distribución Porcentual Percent Distribution | | | Industry |
|---|--|------------------------|---------------------|---|------------------------|---------------------|---|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Todas las industrias | 11.6 | 11.8 | 10.8 | 100.0 | 100.0 | 100.0 | All industries |
| Trabajadores asalariados | 12.1 | 12.1 | 11.5 | 87.2 | 86.2 | 87.4 | Experienced wage and salary workers |
| Agricultura 1/ | 13.6 | 12.6 | 13.7 | 5.5 | 5.4 | 6.8 | Agriculture 1/ |
| Industrias no agrícolas | 12.0 | 12.1 | 11.3 | 81.7 | 80.8 | 80.7 | Nonagricultural industries |
| Construcción | 26.6 | 23.7 | 18.4 | 25.7 | 21.7 | 21.1 | Construction |
| Manufactura | 15.1 | 17.0 | 15.8 | 25.7 | 28.7 | 28.4 | Manufacturing |
| Transportación, comunicación y utilidades públicas | 7.5 | 9.0 | 8.8 | 3.4 | 3.9 | 4.2 | Transportation, communication and public utilities |
| Comercio | 11.1 | 13.3 | 9.5 | 11.5 | 13.8 | 10.6 | Trade |
| Servicios incluyendo Administración Pública | 5.9 | 4.9 | 6.5 | 14.6 | 11.9 | 15.6 | Services including Public Administration |
| Otras 2/ | g/ | g/ | g/ | 0.8 | 0.7 | 0.8 | Other 2/ |
| Trabajadores por su cuenta y fami- liares sin paga | 2.9 | 3.0 | 3.1 | 3.8 | 3.9 | 4.8 | Self employed and unpaid family workers |
| Sin experiencia previa de trabajo | - | - | - | 9.0 | 9.9 | 7.8 | No previous work experience |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

2/ Incluye minería; y finanzas, seguros y bienes raíces. - Includes mining; and finance, insurance and real estate.

g/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

Tabla 9 - PERSONAS DESEMPLEADAS POR OCUPACION DEL ULTIMO EMPLEO
 Mayo y Abril de 1972 y Mayo de 1971
 Table 9 - UNEMPLOYED PERSONS BY OCCUPATION OF LAST JOB
 May and April 1972 and May 1971

| Ocupación | Tasa de Desempleo Unemployment Rate | | | Distribución Porcentual Percent Distribution | | | Occupation |
|--|--|------------------------|---------------------|---|------------------------|---------------------|--|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Total | 11.6 | 11.8 | 10.8 | 100.0 | 100.0 | 100.0 | Total |
| Trabajadores de Cuello Blanco (Profesionales y semi-profesionales; propietarios, administradores y oficiales, excepto de fincas; ofi- cinistas, vendedores y trabajado- res análogos) | 4.6 | 5.9 | 4.2 | 14.0 | 18.3 | 13.7 | White Collar Workers (Professional and semi-professional; managers, officials, and proprietors, except farms; clerical, sales and kindred workers) |
| Trabajadores de Cuello Azul (Artesanos, capataces y trabaja- dores análogos; operarios y tra- bajadores análogos; obreros, excepto de fincas) | 17.7 | 16.4 | 15.6 | 65.5 | 59.6 | 62.9 | Blue Collar Workers (Craftsmen, and foremen; operatives and kindred workers; nonfarm laborers) |
| Trabajadores en Servicios (Servicio doméstico; servicio protectivo; otros servicios; perso- nales, comerciales, de mantenimiento, etc.) | 5.5 | 6.6 | 7.8 | 6.1 | 7.0 | 8.8 | Service Workers (Private household workers; protective services; and other services; personal, commercial, maintenance, etc.) |
| Trabajadores Agrícolas (Agricultores y administradores de fincas; obreros y mayordomos de fincas) | 8.5 | 8.1 | 8.8 | 5.4 | 5.2 | 6.9 | Farm Workers (Farmers and farm managers; farm laborers and foremen) |
| Trabajadores sin experiencia previa de trabajo | - | - | - | 9.0 | 9.9 | 7.8 | No previous work experience |

Tabla 10 - DESEMPLEO, POR NIVEL EDUCACIONAL
 Mayo y Abril de 1972 y Mayo de 1971

Table 10- UNEMPLOYMENT, BY EDUCATIONAL LEVEL
 May and April 1972 and May 1971

| Ultimo Grado Escolar Completado | Tasa de Desempleo Unemployment Rate | | | Distribución Porcentual Percent Distribution | | | Highest Grade Completed |
|--|--|------------------------|---------------------|---|------------------------|---------------------|---|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| Total | 11.6 | 11.8 | 10.8 | 100.0 | 100.0 | 100.0 | Total |
| Ninguno | 8.0 | 10.1 | 6.0 | 2.9 | 3.5 | 2.6 | None |
| 1 - 3 | 13.5 | 12.0 | 11.4 | 10.9 | 10.3 | 11.1 | 1 - 3 |
| 4 - 6 | 13.0 | 13.2 | 12.9 | 19.1 | 18.8 | 22.1 | 4 - 6 |
| 7 - 9 | 15.8 | 16.2 | 14.7 | 24.8 | 23.3 | 24.1 | 7 - 9 |
| 10 - 11 | 17.0 | 18.3 | 16.9 | 11.5 | 12.8 | 12.8 | 10 - 11 |
| 12 | 11.4 | 11.7 | 9.3 | 25.2 | 25.3 | 21.5 | 12 |
| 13 y más | 3.7 | 3.8 | 4.0 | 5.5 | 5.9 | 5.9 | 13 and over |
| Mediana de años escolares completados ^{1/} | - | - | - | 9.1 | 9.2 | 8.8 | Median of school years completed ^{1/} |

^{1/} Punto en la escala de años escolares completados que divide la distribución en dos partes iguales.
 Point on the scale of school years completed which divides the distribution into two equal parts.

Tabla 11 - PERSONAS DESEMPLEADAS, POR ESTADO MARITAL Y RELACION CON EL JEFE
 Mayo y Abril de 1972 y Mayo de 1971

Table 11 - UNEMPLOYED PERSONS, BY MARITAL STATUS AND HOUSEHOLD RELATIONSHIP
 May and April 1972 and May 1971

| Características | Tasa de Desempleo Unemployment Rate | | | Distribución Porcentual Percent Distribution | | | Characteristics |
|-----------------------------|--|------------------------|---------------------|---|------------------------|---------------------|-------------------------------|
| | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | Mayo May 1972 | Abril April 1972 | Mayo May 1971 | |
| <u>ESTADO MARITAL</u> | | | | | | | <u>MARITAL STATUS</u> |
| Total | 11.6 | 11.8 | 10.8 | 100.0 | 100.0 | 100.0 | Total |
| Soltero | 21.1 | 21.1 | 20.9 | 44.2 | 44.0 | 46.8 | Single |
| Casado | 8.8 | 8.8 | 7.5 | 52.5 | 52.3 | 49.5 | Married |
| Cónyuge presente | 8.4 | 8.5 | 7.2 | 47.2 | 47.5 | 44.4 | Spouse present |
| Cónyuge ausente 1/ | 15.2 | 13.9 | 13.6 | 5.3 | 4.8 | 5.1 | Spouse absent 1/ |
| Viudo o Divorciado | 6.6 | 7.5 | 8.1 | 3.3 | 3.7 | 3.7 | Widowed or Divorced |
| <u>RELACION CON EL JEFE</u> | | | | | | | <u>HOUSEHOLD RELATIONSHIP</u> |
| Total | 11.6 | 11.8 | 10.8 | 100.0 | 100.0 | 100.0 | Total |
| Jefe | 8.0 | 7.9 | 7.0 | 39.1 | 37.7 | 37.1 | Household head |
| Esposa del jefe | 7.0 | 8.4 | 6.5 | 8.9 | 10.8 | 8.5 | Wife of head |
| Hijo del jefe | 21.8 | 21.9 | 21.6 | 42.7 | 42.6 | 45.6 | Child of head |
| Otros familiares del jefe | 19.9 | 20.3 | 18.9 | 8.7 | 8.7 | 8.4 | Other relatives of head |
| Particulares | a/ | a/ | a/ | 0.5 | 0.2 | 0.4 | Non relatives |

1/ Incluye separados. - Includes separated.

a/ Muy pocos casos en la muestra para un estimado confiable.
 Not enough cases in the sample for a reliable estimate.

Tabla 12 - TASAS DE PARTICIPACION Y DE DESEMPLEO, POR REGION^{1/} Y SEXO
 Mayo de 1972
 Table 12 - PARTICIPATION AND UNEMPLOYMENT RATES, BY REGION^{1/} AND SEX
 May 1972

| | PUERTO RICO | REGION I | REGION II | REGION III | REGION IV | REGION V | |
|-------------------------------------|-------------|----------|-----------|------------|-----------|----------|----------------------------------|
| Tasa de Participación ^{2/} | | | | | | | Participation Rate ^{2/} |
| Total | 45.7 | 46.0 | 44.0 | 41.7 | 42.6 | 40.2 | Total |
| Varones | 65.4 | 66.0 | 62.6 | 60.5 | 63.0 | 60.7 | Male |
| Hembras | 27.0 | 28.0 | 26.9 | 24.2 | 23.9 | 22.9 | Female |
| Tasa de Desempleo ^{3/} | | | | | | | Unemployment Rate ^{3/} |
| Total | 11.6 | 8.6 | 13.1 | 12.9 | 14.2 | 13.8 | Total |
| Varones | 12.6 | 9.7 | 13.6 | 13.5 | 15.0 | 14.7 | Male |
| Hembras | 9.5 | 6.5 | 12.1 | 11.4 | 12.3 | 11.9 | Female |

^{1/} Las tasas para las regiones son calculadas directamente de la muestra. - The rates for the regions are computed directly from the sample.

^{2/} Por ciento de la población civil no institucional de 14 años y más que estaba en el grupo trabajador.

Percentage of the civilian noninstitutional population 14 years old and over that was in the labor force.

^{3/} Por ciento de desempleados en el grupo trabajador. - Percentage of unemployed persons in the labor force.

DISTRIBUCION DE MUNICIPIOS POR REGIONES - DISTRIBUTION OF THE MUNICIPALITIES BY REGIONS

| REGION I | REGION II | REGION III | REGION IV | REGION V |
|---------------|--------------|--------------|---------------|--------------|
| Barranquitas | Aguas Buenas | Arecibo | Aguada | Adjuntas |
| Bayamón | Aibonito | Barceloneta | Aguadilla | Arroyo |
| Carolina | Caguas | Camuy | Añasco | Coamo |
| Cataño | Cayey | Ciales | Cabo Rojo | Guánica |
| Ceiba | Cidra | Hatillo | Hormigueros | Guayama |
| Comerio | Culebra * | Lares | Isabela | Guayanilla |
| Corozal | Guarabo | Manatí | Lajas | Jayuya |
| Dorado | Humacao | Morovis | Las Marías | Juana Díaz |
| Pajardo | Juncos | Orcovisa | Maricao | Maunabo |
| Guaynabo | Las Piedras | Quebradillas | Moca | Patillas |
| Lofí | Naguabo | Utuadé | Rincón | Peñuelas |
| Luquillo | San Lorenzo | Vega Baja | Sabana Grande | Salinas |
| Maranjito | Vieques * | | San Germán | Santa Isabel |
| Río Grande | Yabucoa | | San Sebastián | Villalba |
| Tos Alta | | | Mayagüez | Yauco |
| Tos Baja | | | | Ponce |
| Trujillo Alto | | | | |
| Vega Alta | | | | |
| Río Piedras | | | | |
| San Juan | | | | |

* Culebra y Vieques no están incluidos en la muestra. - Culebra and Vieques are not included in the sample.

Tabla 13 - RESUMEN DEL ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
(Miles de personas de 14 años y más)

Table 13 - SUMMARY OF THE EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
(Thousands of persons 14 years of age and over)

| Sexo, Año y Mes | Población Population | En el Grupo Trabajador - In the Labor Force | | | | | | | Fuera del Grupo Trabajador Not In the Labor Force | Sex, Year and Month | |
|-------------------|-------------------------|---|---|-------|---|---|------------------|---|--|---------------------|--|
| | | Total | | | Empleados Employed | | | Desempleados Unemployed | | | |
| | | Número Number | Por ciento de la Población Percent of the Population | Total | Agri- cultura- 1/ Agri- culture | Industrias No Agrícolas Nonagri- cultural Industries | Número Number | Por ciento del Grupo Trabajador Percent of the Labor Force | | | |
| <u>BOTH SEXES</u> | | | | | | | | | <u>AMBOS SEXOS</u> | | |
| 1970 - Average | 1813 | 843 | 46.5 | 748 | 72 | 676 | 94 | 11.2 | 971 | 1970 - Promedio | |
| 1971 - Average | 1867 | 874 | 46.8 | 769 | 63 | 706 | 104 | 11.9 | 993 | 1971 - Promedio | |
| January | 1839 | 851 | 46.3 | 739 | 60 | 679 | 112 | 13.2 | 988 | Enero | |
| February | 1844 | 850 | 46.1 | 746 | 69 | 678 | 104 | 12.2 | 993 | Febrero | |
| March | 1850 | 850 | 45.9 | 758 | 69 | 689 | 92 | 10.8 | 1,001 | Marzo | |
| April | 1855 | 847 | 45.6 | 757 | 70 | 687 | 90 | 10.6 | 1,008 | Abril | |
| May | 1858 | 855 | 46.0 | 762 | 71 | 692 | 92 | 10.8 | 1,003 | Mayo | |
| June | 1862 | 888 | 47.7 | 779 | 63 | 715 | 110 | 12.3 | 973 | Junio | |
| July | 1865 | 899 | 48.2 | 789 | 64 | 725 | 110 | 12.2 | 967 | Julio | |
| August | 1871 | 877 | 46.9 | 767 | 56 | 711 | 111 | 12.6 | 994 | Agosto | |
| September | 1880 | 890 | 47.3 | 780 | 57 | 723 | 110 | 12.4 | 990 | Septiembre | |
| October | 1885 | 893 | 47.4 | 784 | 63 | 721 | 109 | 12.2 | 993 | Octubre | |
| November | 1892 | 892 | 47.1 | 782 | 62 | 720 | 110 | 12.3 | 1,001 | Noviembre | |
| December | 1898 | 891 | 46.9 | 787 | 57 | 731 | 104 | 11.7 | 1,007 | Diciembre | |
| 1972 - January | 1905 | 894 | 46.9 | 769 | 57 | 712 | 124 | 13.9 | 1,012 | 1972 - Enero | |
| February | 1911 | 903 | 47.2 | 786 | 64 | 721 | 117 | 13.0 | 1,008 | Febrero | |
| March | 1917 | 895 | 46.7 | 788 | 66 | 722 | 108 | 12.0 | 1,022 | Marzo | |
| April | 1924 | 887 | 46.1 | 782 | 67 | 715 | 104 | 11.8 | 1,037 | Abril | |
| May | 1930 | 882 | 45.7 | 779 | 64 | 715 | 103 | 11.6 | 1,048 | Mayo | |

Tabla 13 - RESUMEN DEL ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
(Miles de personas de 14 años y más)

(CONTINUACION)

(CONTINUED)

Table 13 - SUMMARY OF THE EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
(Thousands of persons 14 years of age and over)

| Sexo, Año y Mes | Población Population | En el Grupo Trabajador - In the Labor Force | | | | | | Fuera del Grupo Trabajador Not in the Labor Force | Sex, Year and Month | |
|-----------------|-------------------------|---|---|-----------------------|-----------------------------------|---|------------------|--|---------------------|---|
| | | Total | | Empleados Employed | | Desempleados Unemployed | | | | |
| | | Número Number | Por ciento de la Población Percent of the Population | Total | Agri- cultura-1/ Agri- culture | Industrias No Agrícolas Nonagricultural Industries | Número Number | | | Por ciento del Grupo Trabajador Percent of the Labor Force |
| <u>VARONES</u> | | | | | | | | | <u>MALE</u> | |
| 1970 - Promedio | 879 | 589 | 67.1 | 521 | 69 | 452 | 68 | 11.6 | 290 | 1970 - Average |
| 1971 - Promedio | 906 | 608 | 67.1 | 533 | 61 | 472 | 75 | 12.3 | 298 | 1971 - Average |
| Enero | 892 | 595 | 66.7 | 511 | 57 | 454 | 83 | 14.0 | 297 | January |
| Febrero | 895 | 599 | 67.0 | 523 | 67 | 456 | 76 | 12.7 | 296 | February |
| Marzo | 898 | 596 | 66.3 | 530 | 67 | 463 | 66 | 11.0 | 302 | March |
| Abril | 900 | 599 | 66.5 | 535 | 68 | 466 | 64 | 10.8 | 301 | April |
| Mayo | 902 | 604 | 67.0 | 537 | 68 | 468 | 68 | 11.2 | 297 | May |
| Junio | 904 | 622 | 68.9 | 543 | 62 | 481 | 79 | 12.7 | 281 | June |
| Julio | 906 | 626 | 69.2 | 548 | 63 | 485 | 78 | 12.5 | 279 | July |
| Agosto | 909 | 607 | 66.8 | 530 | 55 | 475 | 77 | 12.8 | 302 | August |
| Septiembre | 913 | 612 | 67.0 | 534 | 55 | 479 | 78 | 12.7 | 301 | September |
| Octubre | 916 | 611 | 66.7 | 535 | 57 | 477 | 76 | 12.4 | 305 | October |
| Noviembre | 920 | 612 | 66.6 | 534 | 57 | 477 | 78 | 12.8 | 308 | November |
| Diciembre | 923 | 613 | 66.5 | 537 | 54 | 483 | 76 | 12.4 | 309 | December |
| 1972 - Enero | 926 | 618 | 66.8 | 527 | 54 | 473 | 91 | 14.7 | 308 | 1972 - January |
| Febrero | 929 | 626 | 67.4 | 543 | 61 | 482 | 83 | 13.3 | 303 | February |
| Marzo | 932 | 624 | 67.0 | 543 | 62 | 481 | 81 | 13.0 | 308 | March |
| Abril | 936 | 618 | 66.0 | 541 | 64 | 477 | 77 | 12.5 | 318 | April |
| Mayo | 939 | 614 | 65.4 | 537 | 62 | 475 | 77 | 12.6 | 325 | May |

Tabla 13 - RESUMEN DEL ESTADO DE EMPLEO DE LA POBLACION CIVIL NO INSTITUCIONAL, POR SEXO
(Miles de personas de 14 años y más)

(CONTINUACION)

(CONTINUED)

Table 13 - SUMMARY OF THE EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, BY SEX
(Thousands of persons 14 years of age and over)

| Sexo, Año y Mes | Población | En el Grupo Trabajador - In the Labor Force | | | | | | | Fuera del Grupo Trabajador | Sex, Year and Month |
|-----------------|---------------------------|---|----------------------------|------------------------------|--------------------|----------------------------|-------------------------|---------------------------------|----------------------------|---------------------|
| | | Total | | | Empleados Employed | | Desempleados Unemployed | | | |
| | | Número | Por ciento de la Población | Total | Agri- cultura- 1/ | Industrias No Agrícolas | Número | Por ciento del grupo Trabajador | | |
| Number | Percent of the Population | Total | Agri- culture | Nonagri- cultural Industries | Number | Percent of the Labor Force | Not in the Labor Force | | | |
| <u>HEMIERAS</u> | | | | | | | | | <u>FEMALE</u> | |
| 1970 - Promedio | 935 | 25.3 | 27.1 | 227 | 3 | 224 | 26 | 10.3 | 681 | 1970 - Average |
| 1971 - Promedio | 960 | 26.5 | 27.6 | 236 | 3 | 234 | 29 | 11.1 | 695 | 1971 - Average |
| Enero | 947 | 25.6 | 27.1 | 227 | 3 | 224 | 29 | 11.3 | 690 | January |
| Febrero | 949 | 25.2 | 26.5 | 223 | 2 | 221 | 28 | 11.1 | 698 | February |
| Marzo | 952 | 25.4 | 26.7 | 228 | 2 | 226 | 26 | 10.3 | 698 | March |
| Abril | 954 | 24.8 | 25.9 | 223 | a/ | 221 | 25 | 10.1 | 707 | April |
| Mayo | 956 | 25.0 | 26.2 | 226 | 2 | 223 | 25 | 9.8 | 706 | May |
| Junio | 958 | 26.6 | 27.7 | 236 | a/ | 235 | 30 | 11.4 | 692 | June |
| Julio | 960 | 27.2 | 28.4 | 241 | a/ | 240 | 32 | 11.7 | 687 | July |
| Agosto | 963 | 27.0 | 28.1 | 237 | a/ | 236 | 33 | 12.3 | 692 | August |
| Septiembre | 967 | 27.8 | 28.8 | 246 | 2 | 244 | 32 | 11.7 | 689 | September |
| Octubre | 970 | 28.2 | 29.1 | 249 | 6 | 243 | 33 | 11.6 | 688 | October |
| Noviembre | 973 | 28.0 | 28.7 | 248 | 5 | 243 | 32 | 11.3 | 693 | November |
| Diciembre | 976 | 27.8 | 28.5 | 250 | 3 | 247 | 28 | 10.0 | 698 | December |
| 1972 - Enero | 979 | 27.5 | 28.1 | 242 | 3 | 239 | 33 | 12.1 | 704 | 1972 - January |
| Febrero | 982 | 27.7 | 28.2 | 243 | 3 | 240 | 34 | 12.3 | 705 | February |
| Marzo | 985 | 27.1 | 27.5 | 245 | 4 | 241 | 26 | 9.6 | 714 | March |
| Abril | 988 | 26.9 | 27.2 | 241 | 3 | 238 | 27 | 10.2 | 719 | April |
| Mayo | 991 | 26.6 | 27.0 | 242 | a/ | 241 | 25 | 9.5 | 723 | May |

1/ Incluye silvicultura y pesca. - Includes forestry and fishing.

a/ Muy pocos casos en la muestra para un estimado confiable. - Not enough cases in the sample for a reliable estimate.

NOTAS ACLARATORIAS

La información que se presenta en este informe se basa en una encuesta realizada por el Negociado de Estadísticas del Trabajo en una muestra de viviendas representativa de la población de Puerto Rico. La encuesta se realiza mensualmente en una muestra de alrededor de 6,000 viviendas.

En cada vivienda entrevistada, se hacen varias preguntas acerca de cada uno de los miembros de 14 años y más de edad, con el fin de determinar si están empleados, desempleados o fuera del grupo trabajador; así como preguntas relacionadas con la ocupación, industria, horas trabajadas y otras características de estas personas.

Se usa como período de referencia una semana fija, aquella que contiene el día 12 del mes. La encuesta se lleva a cabo durante la semana inmediatamente después de la de referencia.

Debido a que sólo se estudia una muestra de todas las viviendas en Puerto Rico, es necesario inflar las cifras obtenidas en la encuesta para así obtener estimados de empleo y desempleo para toda la población. Por lo tanto, la información obtenida de la muestra se infla a estimados de la población civil no institucional de 14 años y más por grupos de edad y sexo, preparados por la División de Registro Demográfico y Estadísticas del Departamento de Salud. Estos estimados están basados en la distribución por edad y sexo de la población de Puerto Rico en abril de 1960, según lo determinó el Censo de Población de los Estados Unidos. Desde esa fecha en adelante, se han tomado en consideración los

EXPLANATORY NOTES

The information presented in this report is based on a survey carried out by the Bureau of Labor Statistics in a sample of households representing a cross section of the population of Puerto Rico. The survey is carried out on a monthly basis in a sample of around 6,000 households.

In each interviewed household, a number of questions are asked concerning each household member 14 years old and over, in order to ascertain if they are employed, unemployed, or not in the labor force; as well as questions related to occupation, industry, hours worked and other characteristics regarding these persons.

A fixed reference week is used, namely the one containing the twelfth of the month. The survey is carried out in the week immediately after the reference week.

Due to the fact that only a sample of all households of Puerto Rico is studied, it is necessary to inflate the figures obtained in the survey, in order to obtain estimates of employment and unemployment for the whole population. Therefore, the information obtained from the sample is inflated to estimates of the civilian noninstitutional population 14 years old and over, by age and sex groups, prepared by the Division of Demographic Registry and Statistics of the Department of Health. These estimates are based on the age and sex distribution of the population of Puerto Rico in April 1960, as determined by the United States Census of Population. Since that date, account has been taken of the changes which have

cambios registrados en la población debidos a personas que cum-
plen 14 años, defunciones, inmigración, emigración y reclutamiento
neto de las Fuerzas Armadas.

Los estimados que se presentan en este informe están afectados por la variabilidad de la muestra utilizada. En términos generales, mientras mayor es la cifra informada, mayor es la confiabilidad del estimado. Debido a esta variabilidad, no debe darse mucho énfasis a pequeñas diferencias.

Las cifras publicadas no siempre suman a los totales debido a que han sido redondeadas. Los por cientos han sido calculados a base de cifras sin redondear.

DEFINICION DE TERMINOS

La Población Civil no Institucional de 14 años y más comprende la población de catorce años y más de edad, excluyendo las personas en las Fuerzas Armadas y las recluidas en instituciones tales como prisiones, asilos y hospitales para enfermedades crónicas.

Personas empleadas son aquellas que, durante la semana cubierta por la encuesta, se encontraban:

1. "trabajando" - las que realizaron algún trabajo por paga o ganancias o trabajaron sin paga por 15 horas o más durante la semana en la finca o negocio de un miembro de la familia que habitaba en la misma vivienda o,

2. "con empleo pero no trabajando" - aquellas que no trabajaron ni buscaron trabajo, pero tenían un empleo o negocio del cual estaban ausentes temporalmente por enfermedad, vaca-

occurred due to: persons becoming 14 years old, deaths, immigration, emigration, and enrollment in the Armed Forces.

The estimates presented here are affected by the chance variation of the sample used. In general, the larger the figure reported, the greater the reliability of the estimates. Because of this variability, too much emphasis should not be placed on small differences.

The figures published do not always add to the totals due to rounding. Percentages have been computed from unrounded figures.

DEFINITION OF TERMS

The Civilian Noninstitutional Population 14 years of age and over comprises the population fourteen years of age and over, excluding persons in the Armed Forces and inmates in institutions such as prisons, asylums and hospitals for chronic diseases.

Employed persons comprise those who, during the survey week were either:

1. "at work" - those who did any work for pay or profit, or worked without pay for 15 hours or more on a family farm or business for a member living in the same household, or

2. "with a job but not at work" - those who did not work and were not looking for work but had a job or business from which they were temporarily absent because of illness, vacations, bad

aciones, mal tiempo, conflictos obreros, o paro temporero con instrucciones de regresar al trabajo dentro de los próximos 30 días. Se incluye también en esta categoría a personas que habían conseguido nuevos empleos en los cuales deberían comenzar a trabajar dentro de los próximos 30 días, así como las personas que van a abrir una oficina, negocio, tienda o finca dentro de los próximos 30 días.

Personas desempleadas son aquellas que no trabajaron durante la semana de referencia pero estaban buscando trabajo activamente. Se incluyen también bajo este renglón las personas que hubieran estado buscando trabajo si no hubiera sido porque:

1. esperaban regresar a un empleo del cual habían sido suspendidos por un período de 30 días o más.
2. esperaban comenzar un nuevo trabajo en un período de 30 días o más a partir de la fecha de enumeración. También se incluyen personas que esperaban comenzar la operación de una oficina, tienda, negocio o finca en un período de 30 días o más a partir de la fecha de enumeración.
3. estaban enfermos temporalmente.

Para los fines de preparar los estimados de desempleo, las personas desempleadas se clasifican de acuerdo con la industria y la ocupación de su último empleo. En consecuencia, las personas desempleadas sin experiencia previa de trabajo no se clasifican por industria y ocupación.

El grupo trabajador civil comprende la población civil no institucional de 14 años y más empleada y desempleada.

d. weather, industrial disputes, or layoff with instructions to return to work within 30 days of layoff. Also included are persons who had obtained new jobs at which they were scheduled to begin work within the next 30 days and persons who are going to start the operation of an office, business, store or farm within 30 days of the enumeration date.

Unemployed persons include those who did not work at all during the survey week, but are were actively looking for work. Also included as unemployed are persons who would have been looking for work except that:

1. they expected to return to a job from which they had been laid off for a period of 30 days or more.
2. they expected to start a new job 30 days or more from the enumeration date. Also included all persons who expected to start the operation of an office, store, business or farm 30 days or more from the enumeration date.
3. they were temporarily ill.

For the purpose of preparing unemployment estimates, unemployed persons are classified according to the industry and occupation of their last job. Consequently, persons without previous work experience are not classified by industry and occupation.

The civilian labor force comprises the civilian noninstitutional population 14 years of age and over, employed and unemployed.

Las personas fuera del grupo trabajador son todos los civiles de 14 años y más no cubiertos por las definiciones de empleados y desempleados. Esta clasificación se compone de los siguientes grupos:

1. "dedicados a oficios domésticos" - aquellas personas dedicadas a los quehaceres domésticos en su propia casa.
2. "en la escuela" - personas que asisten a la escuela.
3. "incapacitados" - aquellas personas permanentemente incapacitadas para trabajar.
4. "otros" - este grupo se compone principalmente de personas retiradas, los ociosos voluntarios y algunos trabajadores en industrias estacionales que en la semana de referencia se encontraban en el período de inactividad de la industria y no estaban buscando trabajo.

El Empleo Pleno incluye los siguientes grupos:

1. Empleados a jornal o sueldo que trabajaron 35 horas o más a la semana.
2. Empleados a jornal o sueldo que trabajaron menos de 35 horas a la semana, pero no deseaban trabajar más horas.
3. Empleados por cuenta propia (excepto agricultores en fincas de subsistencia) que no deseaban trabajar más horas.

El sub-empleo incluye los siguientes grupos:

1. Empleados a jornal o sueldo que trabajaron menos de 35 horas a la semana y deseaban trabajar más horas.
2. Agricultores en fincas de subsistencia, sin tener en consideración horas trabajadas a la semana o deseos de trabajar

All civilians 14 years of age and over, who are not classified as employed or unemployed are classified as not in the labor force. This classification is composed of the following groups:

1. "keeping house" - those persons engaged in their own housework.
2. "at school" - persons attending school.
3. "unable" - those persons permanently unable to work.
4. "others" - this group includes for the most part, retired persons, the voluntarily idle, and certain seasonal workers for whom the reference week fell in an "off" season, and were not looking for work.

Full Employment includes the following groups:

1. Persons working 35 hours a week or more for a wage or salary.
2. Persons working less than 35 hours a week for a wage or salary who did not want to work more hours.
3. Self-employed persons (other than subsistence farmers) who did not want to work more hours.

Underemployment includes the following groups:

1. Persons working less than 35 hours a week for a wage or salary who wanted to work more hours.
2. Subsistence farmers, without considering number of hours worked or desire to work more hours. "Subsistence farmers" are

más horas. "Agricultores en fincas de subsistencia" son aquellos que producen principalmente para el consumo de la propia familia.

3. Empleados por cuenta propia (excepto agricultores en fincas de subsistencia) que deseaban trabajar más horas, independientemente del número de horas trabajadas.

El salario semanal mediano es el salario del trabajador que quedaría en el medio si todos los trabajadores se colocaran en orden ascendente o descendente de salario.

Se obtiene información del ingreso de los empleados asalariados durante la semana anterior a aquella en que se hace la entrevista. De esos datos, se preparan estimados de salario semanal mediano por grupos industriales y ocupacionales.

No están incluidos en los estimados de salario semanal mediano los salarios de las personas clasificadas como "con empleo pero no trabajando". Estas personas tenían un empleo del cual estaban ausentes temporalmente por enfermedad, vacaciones, mal tiempo, conflictos obreros o paros temporeros con instrucciones de regresar al trabajo dentro de los próximos 30 días.

CLASIFICACION INDUSTRIAL

Debido a que la información de esta encuesta se obtiene en las viviendas y la mayor parte de las veces el informante no es la persona a quien se refieren los datos; no es posible hacer una clasificación industrial tan precisa como la que se lleva a cabo para la encuesta de Empleo, Horas y Salarios basados en las nóminas de los establecimientos, que realiza este mismo

farmers who produce mainly for consumption in their own household.

3. Self-employed persons (other than subsistence farmers) irrespective of the number of hours worked, who wanted to work more hours.

The median weekly earning is the salary of the middle worker if all workers are arranged in ascending or descending order of salary.

Information is obtained on the earnings of the employees during the reference week. From these data estimates of median weekly earnings by industry, and occupational groups, are prepared.

Not included in these estimates are the earnings of those workers classified as "with job but not work". These persons had a job from which they were temporarily absent due to illness, vacations, bad weather, industrial disputes, or layoff with instructions to return to work within 30 days of layoff.

INDUSTRIAL CLASSIFICATION

Due to the fact that the information of this survey is obtained from households, and, in most cases, the respondent is not the person to whom the data refer; it is not possible to make an industrial classification as accurate as the one that is made in the survey on Employment, Hours and Earnings based on establishment payrolls which is also carried on by this Bureau.

Estas dos encuestas se complementan, ya que en la de establecimientos no es posible obtener un estimado global de empleo que incluya a las personas que trabajan por su cuenta y a las que trabajan sin paga para un familiar. Tampoco proporciona los medios para estimar desempleo y otras características del grupo trabajador.

En vista de las limitaciones de la encuesta de viviendas con respecto a clasificación industrial, se recomienda a los usuarios que den preferencia a los estimados de empleo por grupo industrial que prepara regularmente este Negociado a base de la encuesta de establecimientos, para aquellas actividades que hasta ahora se están cubriendo en la misma, que son las siguientes:

Manufactura

Minería y canteras de minerales no metálicos

Comunicación

Instituciones bancarias

Hoteles y Moteles

Lavanderías y servicios de lavandería, plantas de limpieza en seco y tintorerías

Cinematografía

Hospitales privados

Por las razones antes expuestas, es el propósito de este Negociado, tan pronto se pueda extender la encuesta de establecimientos para cubrir todas las actividades económicas, suspender la publicación de estimados de empleo por grupo industrial basados en la encuesta de viviendas y limitarse a la publicación de estimados de empleo agrícola y no agrícola.

These two surveys are complementary since the establishment survey does not provide for an overall employment estimate, including the self-employed and unpaid family workers. Nor does it provide the means to estimate unemployment and other characteristics of the labor force.

In view of the limitations of the household survey with regard to industrial classification, users are advised to prefer the employment estimates by industry group regularly prepared by this Bureau, based on the establishment survey, for the activities covered up to now, which are the following:

Manufacturing

Mining and quarrying of nonmetallic minerals

Communication

Banking institutions

Hotels and Motels

Laundries, laundry services, and cleaning and dyeing plants

Motion pictures

Private hospitals

For the above reasons, it is the purpose of this Bureau, as soon as it is possible to extend the establishments survey to cover all economic activities, to discontinue the publication of employment estimates by industry groups based on the household survey and limit itself to the publication of agricultural and non-agricultural employment.

AJUSTES ESTACIONALES

Muchas series estadísticas reflejan variaciones estacionales. Estas son cambios que ocurren con cierto grado de regularidad a intervalos anuales como consecuencia de factores tales como las condiciones del tiempo, prácticas comerciales, festividades civiles y religiosas, hábitos de consumo, etc. El ajuste estacional de una serie consiste en eliminar la parte del cambio que puede atribuirse a la acostumbrada variación estacional, haciendo posible observar los movimientos cíclicos, así como otros movimientos no estacionales. Sin embargo, al evaluar los cambios en las series ajustadas estacionalmente, es importante tener en cuenta que el ajuste estacional es meramente una aproximación basada en pasadas experiencias. Los estimados ajustados estacionalmente tienen un posible margen de error mayor que los datos originales, ya que no solamente están sujetos a errores de muestreo y de otra índole, sino que también son afectados por las imprecisiones del mismo proceso de ajuste estacional.

SEASONAL ADJUSTMENTS

Many statistical series show seasonal variations. There are changes recurring more or less regularly at annual intervals as a result of such factors as weather conditions, business practices, civil and religious festivities, consumer habits, etc. The seasonal adjustment of a series consists of eliminating that part of the change which can be ascribed to usual seasonal variation, permitting the observation of cyclical and other nonseasonal movements. However, in evaluating the changes in a seasonally adjusted series, it is important to note that seasonal adjustment is merely an approximation based on past experience. Seasonally adjusted estimates have a broader margin of possible error than the original data, since they are subject not only to sampling and other errors but, in addition they are affected by the uncertainties of the seasonal adjustment process itself.

Chairman PROXMIRE. Mr. Barton, please proceed.

STATEMENT OF H. C. BARTON, JR., PRESIDENT, PUERTO RICO DEVELOPMENT GROUP, INC.

Mr. BARTON. Senator Proxmire, members of the committee, Mr. Córdova,¹ you have my prepared statement, and I would like to touch on a few of the high points.

The Honorable Secretary of Labor has spoken to you of the official statistics on unemployment in Puerto Rico, which are collected in the same basic way the similar statistics are in the United States. These statistics, as you know, are based on the concept of "actively seeking work," as the Secretary explained. The question is asked: "Did you actively seek work last week?"

Now, in an unemployment situation like Puerto Rico where there are so few jobs available, particularly few jobs for people without skills and training, many people that want work, do not look for work because they know there are no jobs available. In the first table of my prepared statement, I have tried to make an estimate, and I have prepared similar estimates in the past of the number of people who would be working or looking for work if jobs were plentiful, or as plentiful as, say, they are in the United States. This estimate is based on one single assumption; namely, that the labor force participation in each age, sex group, in Puerto Rico would be the same as it is in the States. All of the rest of this table is from published statistics. This gives us, to the extent that this assumption is correct, an estimate of a job deficiency of well over 300,000 jobs, and a rate, using this quite different concept, a rate of unemployment of about 30 percent.

Chairman PROXMIRE. Rate of unemployment of what?

Mr. BARTON. About 30 percent.

Chairman PROXMIRE. Thirty percent?

Mr. BARTON. That is correct, sir.

Chairman PROXMIRE. That is higher than the highest year of national unemployment in the United States as a whole in the depth of the depression.

Mr. BARTON. That is correct, sir. It is higher than it is in the depressed areas in Appalachia, much higher, and it is higher than it is in the ghetto areas in the big cities. The only place, using somewhat similar methods, the only place that the U.S. Bureau of Labor Statistics has found comparable unemployment rates to this is among Puerto Ricans, in three poverty areas in New York City. There was a study made there—similar rates of unemployment—but nowhere else in the State has an unemployment rate of this level even been approximated except during the great depression.

Now, this, I think, is a measure of the job-creating target we need to set for ourselves. This is one of the reasons why our initial unemployment rate has remained quite stable. As soon as jobs become available, more people come into the labor force, and approximately the same number of people remain counted as actively seeking work.

The Secretary of Labor has also pointed out to you the skill problems that we face. We have a labor force which is much less well edu-

¹ Mr. Córdova is Resident Commissioner, Commonwealth of Puerto Rico.

cation and many, many more people with no job experience whatsoever. This deficiency in education and training is something that has been a matter of serious concern to the government of Puerto Rico for many years. We devote about a third of our total government budget to education. We are very eager, as the Secretary has told you, for all the assistance we can get for training programs.

Now I would like to pass from this to some thoughts that I have on what could be done to reduce this unemployment. I have listed in my prepared statement several routes that might be explored. The most obvious for anybody coming before the Congress is to ask for more Federal grants-in-aid. This is a full-time job of Mr. Córdova, and I am sure that there is nothing that I could add to what he has said many times on this subject.

I would like to point out only one thing, however, that the great bulk of the Federal grants-in-aid are for current operating expenses, and in that sense they do not help as much in job creation as they would if they were more in the form of investments. In other words, the Federal grants-in-aid have less multiplier effect than they might have if there was more done in the form of investment.

The matter of migration to the States is, of course, a big area in terms of Puerto Rico's unemployment situation. If you will notice the chart entitled "Net Migration of Puerto Ricans to U.S." in my prepared statement, you would see that the numbers of Puerto Ricans that have migrated have been extraordinarily large. It is also to be pointed out that they have a high concentration of labor-force members among them, and it might also be said that many of them come from rural Puerto Rico where jobs are especially scarce.

The big problem with migration is that it is uncontrollable. I do not think we should even try to control it. This is a matter of the choice of the individual. It is, therefore, dependent primarily on the employment situation in the States, and as the chart shows, the big periods of migration were in the periods when unemployment was relatively low here in the States.

Turning now to the standard method of Government job creation by deficit financing of public works. This is a perfectly sensible way to reduce unemployment, but the problem is that the Government has been in recent years employing it to the utmost. As you can see, total debt outstanding for public works has doubled in the last few years. Now, in other words, the Government is already using this method to the fullest reasonable extent, so that again without some form of Federal assistance, it seems to me it would be very difficult to further reduce unemployment through this means.

Turning now to this matter of the technology that is used in the economy, it is a sort of a fad now among the economic developers to

say that the underdeveloped countries should not use capital-intensive methods, but should use labor-intensive methods. Well, that is perfectly all right as a concept if you are talking about sectors of the economy that are not exposed to external competition. In other words, in Puerto Rico right now, our construction industry is about twice as labor intensive as it is in Florida. And that is fine. But, we cannot do the same thing in manufacturing. We cannot do the same thing in tourism where we are exposed to competition.

Would you like me to continue?

Chairman PROXMIRE. Well, if you can just summarize in a minute or two, and then we can get into questions, and you can probably bring out most of the points that you have not covered in the questioning.

Mr. BARTON. I think, basically, I have just one more.

Chairman PROXMIRE. Go ahead, Mr. Barton.

Mr. BARTON. I have only one further point I would like to make, Senator.

It is that our main focus in Puerto Rico has been to try to develop our basic industry in manufacturing, tourism, agriculture, and so on, and here is where we come directly against the major problem of national policy; namely, the Federal minimum wage. In my prepared statement there is a chart that shows the effect on some of our most labor-intensive industries of the denial of review petitions in 1966 for 10 industry groups.

Since that time, employment in those 10 industry groups, which had been rising very rapidly in the preceding 5 years, began to decline. In other words, we simply were not getting new jobs in that whole range of labor-intensive industry, largely apparel and shoes and so on. And not getting those jobs made our rate of employment advance in manufacturing as a whole much slower in the last few years than we have had in the past. So, this matter of the treatment of Puerto Rico under the Fair Labor Standards Act is a matter that is vital to our unemployment situation.

Thank you, sir.

(The prepared statement of Mr. Barton follows:)

PREPARED STATEMENT OF H. C. BARTON, JR.

Mr. Chairman, Mr. Resident Commissioner of Puerto Rico, Members of the Joint Economic Committee, my name is Hubert C. Barton, Jr. I am President of Puerto Rico Development Group and I have been a resident of Puerto Rico for 21 years. During that time I have served as director of economic research in the Puerto Rico Planning Board, the Economic Development Administration and the Legislature of Puerto Rico. I am here at the invitation of Senator Proxmire to discuss the exceptionally disturbing unemployment situation in Puerto Rico and to outline a series of measures that can alleviate and, I believe, eventually eradicate it.

CALCULATED EMPLOYMENT DEFICIENCY IN PUERTO RICO—FEBRUARY 1972

[In thousands]

| Age and sex | Civilian non-institutional population ¹ | Percent in U.S. labor force ² | Calculated potential labor force ³ | Reported employment ¹ | Calculated employment deficiency | |
|--------------------|--|--|---|----------------------------------|----------------------------------|-----------|
| | | | | | Number | Percent |
| Both sexes: | | | | | | |
| 14 to 19..... | 366 | | 149 | 41 | 107 | 72 |
| 20 to 24..... | 271 | | 194 | 129 | 65 | 34 |
| 25 to 34..... | 402 | | 276 | 233 | 43 | 16 |
| 35 to 44..... | 282 | | 200 | 161 | 39 | 20 |
| 45 to 54..... | 234 | | 169 | 121 | 48 | 28 |
| 55 to 64..... | 175 | | 108 | 70 | 38 | 35 |
| 65 plus..... | 182 | | 32 | 29 | 3 | 9 |
| Total..... | 1,912 | | 1,128 | 784 | 343 | 30 |
| Males: | | | | | | |
| 14 to 19..... | 186 | ⁴ 46.7 | 87 | 29 | 57 | 66 |
| 20 to 24..... | 137 | 85.1 | 117 | 82 | 35 | 30 |
| 25 to 34..... | 191 | 95.0 | 181 | 154 | 27 | 15 |
| 35 to 44..... | 128 | 95.7 | 122 | 105 | 17 | 14 |
| 45 to 54..... | 111 | 92.9 | 103 | 89 | 14 | 14 |
| 55 to 64..... | 87 | 81.5 | 71 | 58 | 13 | 18 |
| 65 plus..... | 89 | 25.8 | 23 | 26 | -3 | |
| Total..... | 929 | | 704 | 543 | 160 | 23 |
| Females: | | | | | | |
| 14 to 19..... | 180 | ⁴ 34.6 | 62 | 12 | 50 | 81 |
| 20 to 24..... | 134 | 57.5 | 77 | 47 | 30 | 39 |
| 25 to 34..... | 211 | 44.8 | 95 | 79 | 16 | 17 |
| 35 to 44..... | 154 | 50.9 | 78 | 56 | 22 | 28 |
| 45 to 54..... | 123 | 54.0 | 66 | 32 | 34 | 52 |
| 55 to 64..... | 88 | 42.5 | 37 | 12 | 25 | 68 |
| 65 plus..... | 93 | 9.2 | 9 | 3 | 6 | 67 |
| Total..... | 983 | | 424 | 241 | 183 | 43 |

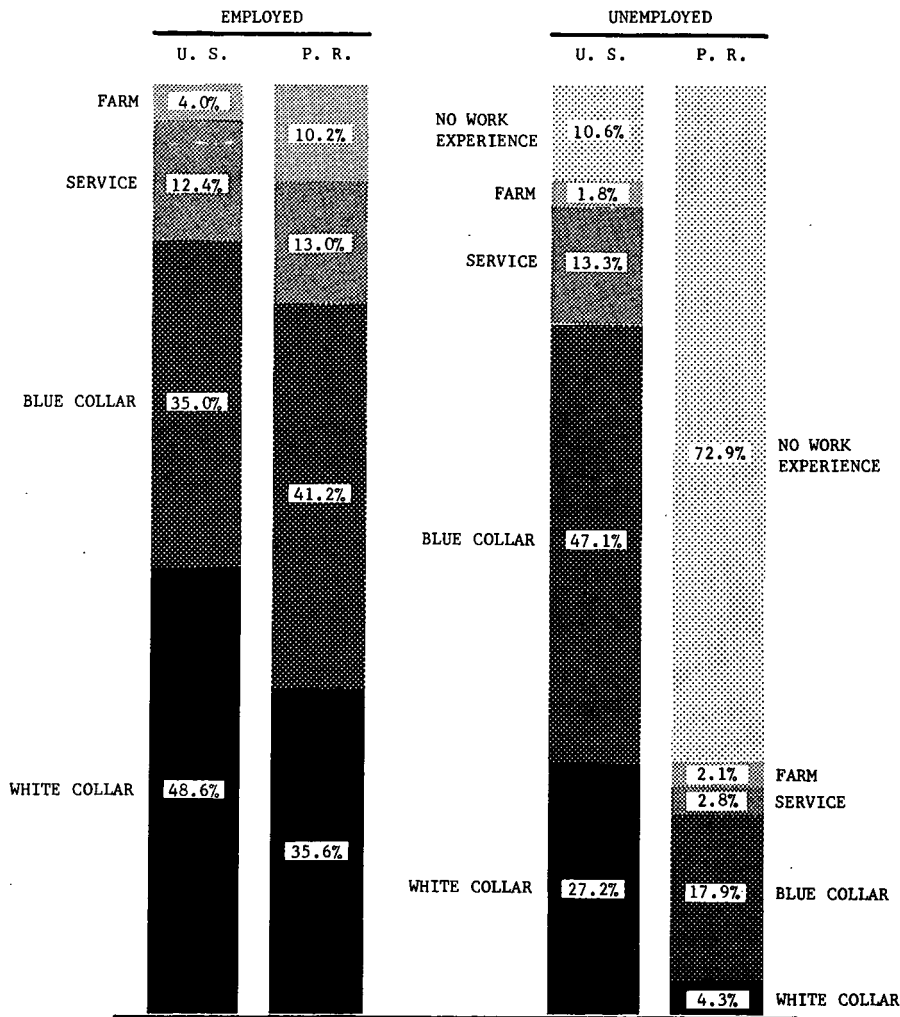
¹ Employment and unemployment in Puerto Rico, Commonwealth Department of Labor.² 1970 average civilian labor force participation rates in the United States.³ U.S. participation rates applied to corresponding Puerto Rico age-sex groups.⁴ U.S. participation rates for 16- and 17-year-olds.

The official statistics on unemployment in Puerto Rico are compiled by the Puerto Rico Department of Labor. The Secretary of Labor, the Honorable Julia Rivera de Vincenti, will present them to you and discuss their implications. Our official unemployment statistics, like those compiled by the U.S. BLS, are based on the "actively seeking work" concept. They reflect the number of people who were actively seeking work during the week in which the monthly household survey is being conducted.

These data are highly reliable and they provide indispensable information on the characteristics of both the employed and unemployed members of the labor force. However, the total number of unemployed shown by these data is far short of the number of people in Puerto Rico who are without a job but are willing and able to work. Many of them are not looking for work merely because they know that no jobs are available for which they can qualify. For this reason, there has been little change in the official unemployment rate for years. It has fluctuated between 11 percent and 13 percent of the labor force. When more jobs are created and employment increases, more people begin to look for work—and the official unemployment rate is unaffected.

The table on the opposite page is an estimate of the total number of people in Puerto Rico who are able and willing to work, including those who are actively looking for jobs. This estimate of 343 thousand people or 30 percent of Puerto Rico's potential labor force is based on official reported statistics and one assumption. It is assumed that, if sufficient jobs were available in Puerto Rico, the labor force participation rate for each age-sex group would be the same as the actual labor force participation rate in the States. It is believed that this assumption is a conservative one because U.S. participation rates are not especially high by international standards and there are a number of reasons for believing that participation rates in Puerto Rico would be higher than in the United States under conditions of full employment. Relative to population size, fewer people in Puerto Rico can afford early retirement, more women are heads of families they must support and school and college enrollment is much below the level in the States.

**OCCUPATIONAL DISTRIBUTION OF THE LABOR FORCE
APRIL, 1970**



NOTE: Unemployed in Puerto Rico include 81,000 with previous occupation reported; 7,000 reporting no previous work experience, plus 211,000 "potential" workers assumed to have had no previous work experience.

It should be noted that this is an estimate of the number of jobless who are able and willing to work and that it does not include those with part time jobs who want full time employment or people with substandard jobs who are usually included in special surveys of unemployment in poverty areas in the States. Even so, the resulting 30% unemployment rate for Puerto Rico is above the rates found in the ghettos or in the most depressed counties of Appalachia. It is equalled only by the rates found in the U.S. Department of Labor among the Puerto Ricans living in poverty areas in New York City. It should also be noted that this extremely high unemployment rate has persisted for years. A similar estimate for 1960 also showed a rate of 30%. Meanwhile the number of jobless has increased by 100,000, which is approximately a third of the increase that has taken place in the entire population of working age (18-64).

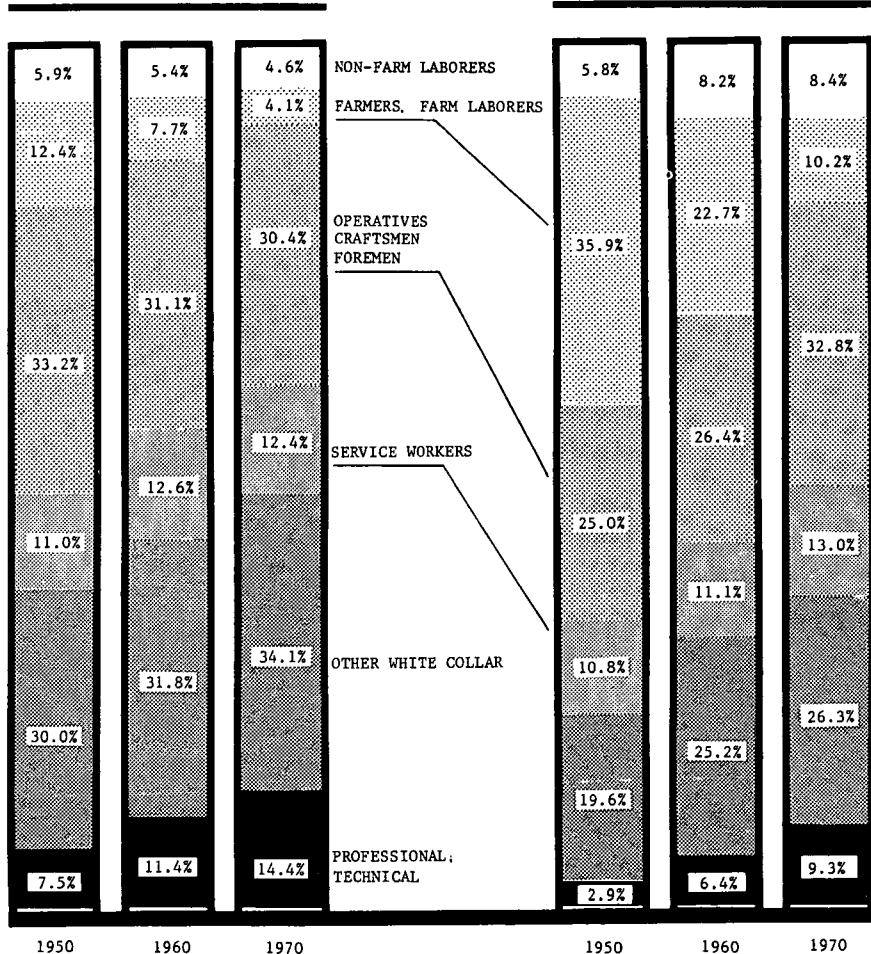
A factor contributing to the intractability of Puerto Rico's unemployment problem is the marked difference in occupational distribution of the employed and the unemployed. The bulk of the unemployed in Puerto Rico are young people and older women, especially those living in rural areas. Most of them have had no work experience. In the States, only about 11% of the unemployed are without previous work experience, compared with 73% in Puerto Rico.

In contrast, unemployment among white collar workers and also among skilled craftsmen is very low in Puerto Rico. In some of the professions and skills there continue to be severe labor shortages. These shortages inhibit expansion of employment and reduce productivity in establishments which must have a cadre of skilled personnel before they can employ the bulk of their semi-skilled and unskilled workers.

CHANGES IN OCCUPATIONAL COMPOSITION OF EMPLOYED WORKERS

UNITED STATES (April)

PUERTO RICO (April)



The table below suggests the reason for the relative scarcity of high level personnel in Puerto Rico. In the States there has been an approximate balance for over 20 years between the number of college graduates and the number of professional and technical workers. Since 1960, the number of high school graduates has substantially exceeded the number of "other" white collar workers and craftsmen. In contrast, the number of college graduates in Puerto Rico is only now catching up with the demand for professional and technical workers and the number of high school and technical school graduates still lags far behind the demand for "other" white collar workers and craftsmen. Puerto Rico continues to have a serious educational gap, particularly at the high school and technical school level.

RELATIONSHIP BETWEEN EDUCATION AND OCCUPATION

| | 1950 | 1960 | 1970 |
|--|------|------|-------|
| United States (millions): | | | |
| College graduates..... | 5.3 | 7.6 | 11.0 |
| Professional, technical..... | 4.5 | 7.5 | 11.1 |
| High school graduates..... | 23.9 | 33.2 | 44.2 |
| Other white collar, craftsmen..... | 25.6 | 29.8 | 37.0 |
| Puerto Rico (thousands): | | | |
| College graduates..... | 15 | 33 | 171 |
| Professional, technical..... | 28 | 43 | 73 |
| High school graduates ² | 44 | 106 | 1 232 |
| Other white collar, craftsmen..... | 106 | 122 | 304 |

¹ Estimated.

² Includes graduates of technical schools and others without bachelors degree.

Source: Planning Room Department of Labor, Planning Board Statistical Abstract of the United States.

The chart above showing changes in the occupational composition of employed workers indicates how rapidly the demand for skilled and white collar workers has risen in both Puerto Rico and in the States. The present occupational pattern in Puerto Rico is similar to the U.S. pattern 20 years ago. The occupational upgrading that has taken place in the States since then is a good indicator of the path ahead for Puerto Rico and suggests both the need to close the educational gap and the difficulty of doing so.

THE LABOR MARKET PARADOX

There is a seeming paradox between the superabundance of unskilled labor in Puerto Rico and the scarcity of skilled workers. This situation exists in every underdeveloped country in the world, so much so that it can be thought of as a definition of economic and social underdevelopment. Severe unemployment is inextricably linked to the rate of population growth, to educational and skill attainments and to capital investment in education, social infrastructure and the production of goods and services.

In an open, competitive economy, unemployment can be directly attacked only to a very limited extent. Share-the-work and government job subsidy programs are both costly and transitory in their effect. Unemployment in Puerto Rico is severe, chronic and pervasive. The attack against it must be strong and persistent and it must be mounted on every possible front. Every measure that increases employment or decreases the size of the labor force must be evaluated and assigned a budget priority commensurate with its net contribution to the total effort.

MEASURES TO REDUCE UNEMPLOYMENT

The following measures for reducing unemployment in Puerto Rico, which are discussed below, have been arranged in the approximate order of the immediacy of their effect. They vary widely in priority, in cost effectiveness and in their controllability by government, either Federal or Commonwealth. But they are all mutually reinforcing and all should be employed to the appropriate degree for maximum effectiveness of the effort as a whole.

1. Increased Federal grants-in-aid.
2. Increased migration of Puerto Ricans to the States.
3. Deficit financing of public works by Commonwealth Government.
4. Use of more labor intensive technology in Puerto Rico.
5. Expansion of Puerto Rico's basic industries—agriculture, mining, manufacturing, construction and tourism.

6. Upgrading the skills of the existing labor force.
7. Attainment of higher levels of education.
8. Reduction in the rate of population growth.

FEDERAL GRANTS-IN-AID

The unemployment rate in Puerto Rico is far higher and family incomes are much lower than in even the most depressed counties of Appalachia. Per capita personal income is 38% of the U.S. average: \$1,567 compared with \$4,139. It is \$1,200 lower than in the lowest income state. Yet, on a per capita basis, Federal grants-in-aid to some of the highest income states are above those to Puerto Rico. In 1970, for example, Puerto Rico received less than one-tenth of one percent of total Federal aid for highway construction. As a matter of distributive justice, Federal grants to Puerto Rico should be substantially increased even though our direct contribution to Federal revenue is minimal. Our indirect contribution, chiefly through imports of \$2.2 billion of farm and factory products, is substantial.

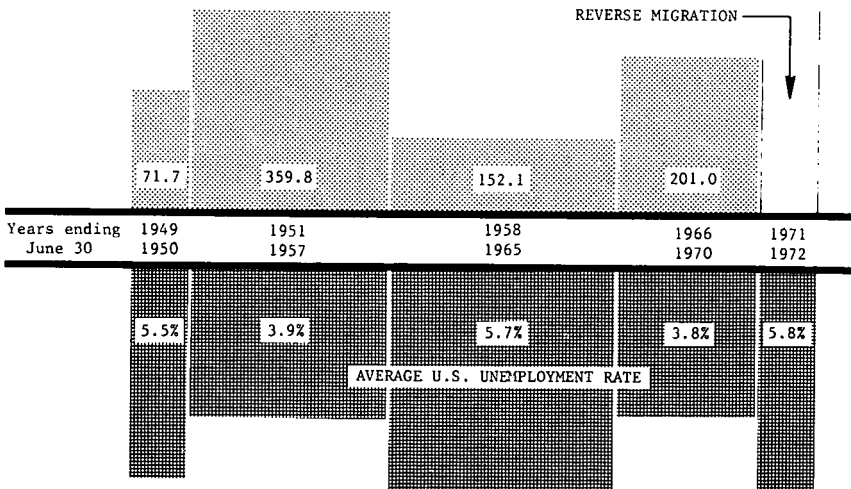
The Federal grants Puerto Rico does receive, an expected total of \$242 million in the current fiscal year, are of great benefit to our social programs, especially education, public welfare and health. Even so, they fall short of our needs. For example, a third of our families receive free food but the amount received supplies only about two-thirds of their calory needs. Moreover, since 95% of the grant funds are for current expenses rather than investment, their multiplier effect on employment is comparatively small and their economic development effect is comparatively transitory.

To maximize the employment impact of Federal aid, a program similar to that embodied in the Appalachian Regional Development Act of 1965 would be most effective. In Appalachia, it succeeded in reducing unemployment from a rate that was 58% above the national average in 1962 to a figure only 11% higher in 1969.

MIGRATION

Over a million Puerto Ricans have migrated to the States, most of them since World War II. Approximately 80% of the migrants have been 14 to 45 years of age, about 65% are of rural origin and considerably more than half are males. Lack of jobs in Puerto Rico, especially in agriculture, has been the principal motivation for migration and perhaps 650,000 of the migrants and, by now, substantial numbers of their children have become members of the U.S. labor force. Employment in Puerto Rico has increased by about 250,000 since 1940. Far more jobs have been created for Puerto Ricans in the States than at home. Without this safety valve of migration, the unemployment situation in Puerto Rico would have long since become explosive.

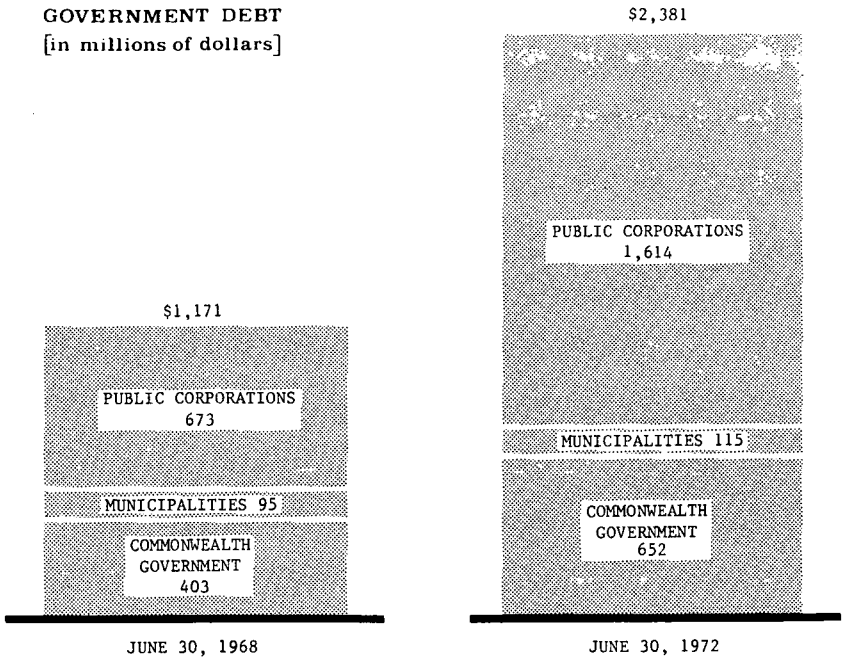
NET MIGRATION OF PUERTO RICANS TO U.S. [in thousands]



As a remedy for unemployment, however, migration has serious limitations. As the chart shows, it fluctuates widely in response to employment conditions in the States. Except for assistance to those who themselves choose to migrate, it should not be and probably can not be greatly influenced by government policy, Federal or Commonwealth. Since New York City has been the principal destination of the migrants, one city has been forced to bear increased costs for education, public welfare and other services that should have been more widely shared. The migrants themselves have been forced by economic circumstances into a totally unfamiliar urban way of life at human costs that defy calculation. Finally, large as the movement has been, it has left behind in Puerto Rico an unusually large dependent population and many unemployed young people and rural women who are generally less readily employable than those who were able to migrate.

DEFICIT FINANCING OF PUBLIC WORKS

Largely as the result of an extremely rapid increase in public debt, employment in construction and the public sector has been increased by nearly 60,000 during the past four years.

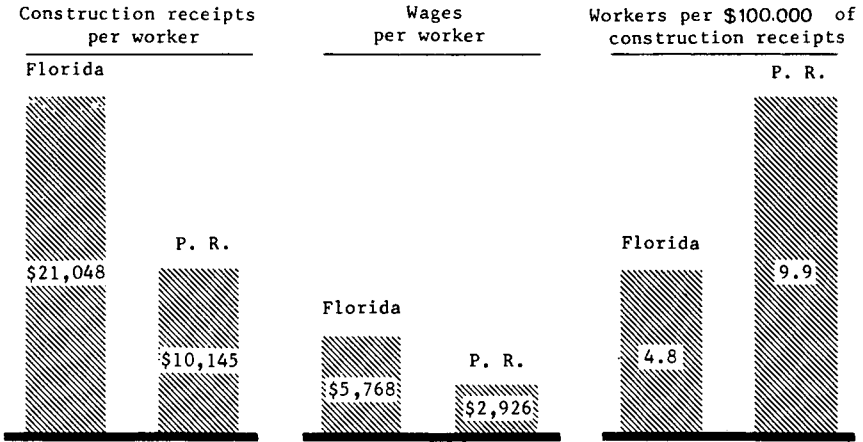


However, the rate of increase in public debt was approximately double that of the economy as a whole. It can not be long sustained without assistance similar to that now being given to Appalachia. The Commonwealth Government still has substantial borrowing capacity and a joint Federal-Commonwealth public works program could generate a large volume of employment, much of it in the form of urgently needed unskilled jobs for young men.

LABOR INTENSIVE TECHNOLOGY

Puerto Rican industries producing for the local market are far more labor intensive than their U.S. counterparts. Construction, for example, which does not face overseas competition, is twice as labor intensive as in Florida. Similar situations exist in trade, service industries, public utilities and government. For the economy as a whole there are twice as many workers per \$100,000 of Gross Product as there are in the States. Thus, half the existing jobs in Puerto Rico are vulnerable to advanced technologies.

PRODUCTIVITY, WAGES AND EMPLOYMENT IN CONSTRUCTION



Source: 1967 Census of Construction Industries

Industries that produce for export or that face direct competition from imports can not pass on higher costs to their customers. They must pay lower wage rates, achieve a competitive level of productivity or go out of business. Home needlework which once employed over 50,000 women mainly in rural Puerto Rico, has been driven out of business by low wage foreign competitors. Puerto Rico's labor intensive sugar industry has lost 100,000 jobs through inability to compete with more efficient producing areas. The Government has been forced to subsidize agricultural wages and in labor intensive manufacturing industries and tourist hotels rising labor costs have reduced employment and caused some factories to close. With so much unemployment and with wage levels already for above those prevailing throughout most of the competitive world, Puerto Rico must retain moderation and flexibility in minimum wage policy in order to achieve full employment.

DEVELOPMENT OF PRIMARY INDUSTRIES

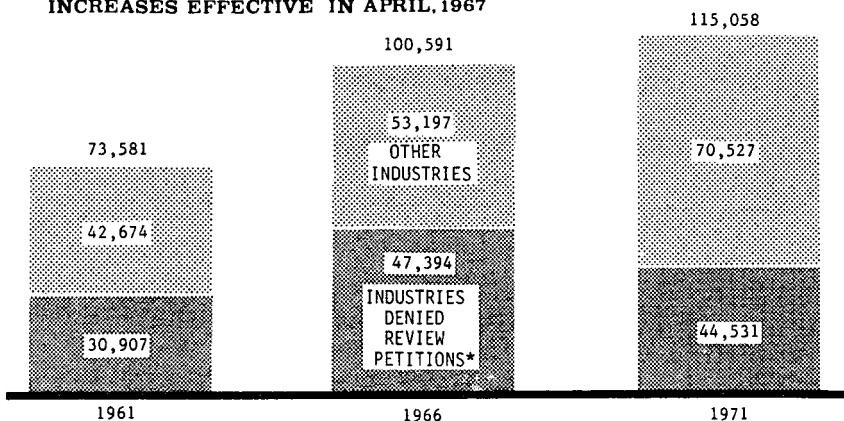
Only twenty years ago, there were four times as many workers employed in Puerto Rico's traditional agriculture as in manufacturing, and tourism was almost non-existent. Sugar, coffee and tobacco were the major crops. All were vulnerable to competition from some of the lowest wage countries in the world.

As wages rose in Puerto Rico and in the States, low productivity agriculture could not compete. High technology agriculture, which has been so successful in the States, was difficult to develop in Puerto Rico because of the very high cost of scarce agricultural land and because of the reluctance of traditional plantation owners to make the high capital investment required. Employment in agriculture declined gradually in the States with improvements in technology. In Puerto Rico the decline was precipitous as many operations became noncompetitive and others began to modernize or shift their land to capital intensive dairying and poultry.

Today, manufacturing employs 145,000 workers, twice as many as now work in agriculture, and another 20,000 are employed in tourist hotels and other industries related to tourism. The great bulk of the expansion of manufacturing and tourism has resulted from investment by U.S. firms attracted by tax exemption and other incentives offered by the Commonwealth Government. Tourism and about half the production in manufacturing is for export, mainly to the U.S. About half the employment is in very labor intensive industries like apparel, shoes and electronics against which there is strong competition from foreign as well as domestic producers.

Directly and indirectly, expansion of manufacturing industries has accounted for 60% of the growth of Puerto Rico's entire economy and for about half of the increase in total employment. Yet because of its exposure to competition, manufacturing, and especially its labor intensive component, is precisely the sector of the economy that is most vulnerable to U.S. policy with respect to minimum wages and tariffs. The 1966 amendments to the Fair Labor Standards Act provided for an automatic minimum wage increase of 12% in April 1967 and 16% a year later for all industries in Puerto Rico with minimums below \$1.60. Although the Act provided for review of these automatic increases, the review petitions of 10 labor intensive industries were denied. The effect of this denial on subsequent employment in these 10 industries is shown below.

**CHANGES IN EMPLOYMENT OF FACTORY PRODUCTION WORKERS
FOLLOWING DENIAL OF REVIEW OF AUTOMATIC MINIMUM WAGE
INCREASES EFFECTIVE IN APRIL, 1967**



*S.I.C. industry groups which include the 10 wage-order industries for which review petitions were denied in 1966: corsets, brassieres, and allied garments; fabric and leather gloves; hosiery; leather, leather goods, and related products; needlework and fabricated textile products; rubber products; shoe and related products; sweater and knit swimwear; tobacco; and women's and children's underwear and women's blouse.

Source: Census of Manufacturing Industries of Puerto Rico, October data.

In the five years following the mandatory wage increases, employment in the 10 labor intensive industries declined substantially and the overall growth in manufacturing employment was only about half what it had been in the previous five year period. Mandatory and indiscriminate increases in minimum wages hamper the entire economy of Puerto Rico and are a grave injustice to the thousands of Puerto Ricans without previous work experience whose best hope is a factory job.

EDUCATION AND HIGH PRODUCTIVITY

The primacy of education as a necessity for a democratic society and an essential for a highly productive economy has long been recognized in Puerto Rico. For many years the Commonwealth Government has devoted about a third of its total budget to public education and about 10% more is spent by private educational institutions. In contrast, only about one-fifth of combined federal, state and local government spending in the U.S. is for educational purposes. Even so, educational levels in the States are far above those in Puerto Rico as is suggested by the following table.

PUBLIC EDUCATION—ENROLLMENT AND EXPENDITURES

| | Puerto Rico, 1969-70 | United States, 1970 |
|--|-------------------------|------------------------|
| Enrollment: | | |
| Elementary, secondary..... | 672, 200 | 46, 531, 000 |
| Higher education..... | 37, 839 | 5, 699, 000 |
| Population: | | |
| 6 to 18 years..... | 843, 277 | 52, 444, 769 |
| 19 to 24 years..... | 285, 768 | 19, 931, 238 |
| Enrollment as percent of population: | | |
| Elementary, secondary..... | 79. 7 | 88. 7 |
| Higher education..... | 13. 1 | 28. 6 |
| Enrollment in Puerto Rico at U.S. enrollment rate: | | |
| Elementary, secondary..... | 748, 000 | ..... |
| Higher education..... | 82, 000 | ..... |
| Expenditures (in millions): | | |
| Elementary, secondary..... | \$232. 0 | \$41, 000 |
| Higher education..... | 72. 6 | 16, 300 |
| Expenditures per student: | | |
| Elementary, secondary..... | 345 | 881 |
| Higher education..... | 1, 919 | 2, 860 |
| Expenditures in Puerto Rico at U.S. enrollment and expenditure rates (in millions): | | |
| Elementary, secondary..... | 659 | ..... |
| Higher education..... | 235 | ..... |
| Total..... | 894 | ..... |
| Total Government budget ¹ | 970 | ..... |

¹ Includes Federal grants.

Sources: Commonwealth Budgets, Census of Population, Statistical Abstract of the United States.

To match U.S. standards, primary and secondary enrollment in Puerto Rico would have to be increased by 76,000 and college enrollment by 44,000. To match U.S. public expenditure per student for this enlarged enrollment would increase the Commonwealth budget for education to \$894 million, an amount equal to 92 percent of its total budget for 1969-70, the fiscal year to which these data refer.

Comparatively few Puerto Rican families, moreover, can afford to provide their children with a private education. They have more children and less income.

Student population and family income

| | |
|--|--------------|
| United States: | |
| School and college enrollment..... | 60, 001, 000 |
| Number of households..... | 63, 417, 000 |
| Students per household..... | 0. 95 |
| Average income per household..... | \$12, 631 |
| Household income per student..... | \$13, 350 |
| Puerto Rico: | |
| School and college enrollment at U.S. rates..... | 830, 000 |
| Number of households..... | 632, 000 |
| Potential students per household..... | 1. 31 |
| Average income per household..... | \$6, 091 |
| Household income per student..... | \$4, 638 |

Sources: Census of Population, Planning Board, Statistical Abstract of the U.S.

Even so, the generation of children now in school will be much better educated than their parents. To lift the productivity of the present labor force requires a combination of adult education and training programs far beyond the scope of those which presently exist. This is another area in which a sympathetic Congress can respond effectively to Puerto Rico's needs. We need right now the skilled craftsmen, the foremen and the trained white collar workers on which the employment of additional production workers and unskilled laborers depends.

POPULATION

Rapid population growth has overtaxed Puerto Rico's educational system and further swollen a superabundant labor force. In spite of migration, population increased by 15 percent between the two censuses and Puerto Rico has had

to bear the cost of educating the young people who migrated. The birth rate in Puerto Rico has been declining rapidly but it is still much above the U.S. rate and it will be some years before the new family planning programs of the Commonwealth Government become fully effective. It will be a generation before they have their full effect on unemployment.

COMPARATIVE BIRTH RATES

| | Puerto Rico ¹ | United States | Difference |
|-----------|--------------------------|-------------------|-------------------|
| 1950..... | 39.5 | 24.1 | 15.4 |
| 1960..... | 32.5 | 23.7 | 8.8 |
| 1968..... | 27.0 | 17.4 | 9.6 |
| 1969..... | 26.2 | 17.7 | 9.5 |
| 1970..... | 25.2 | 18.2 | 7.0 |
| 1971..... | 27.0 | ² 16.3 | ² 10.7 |

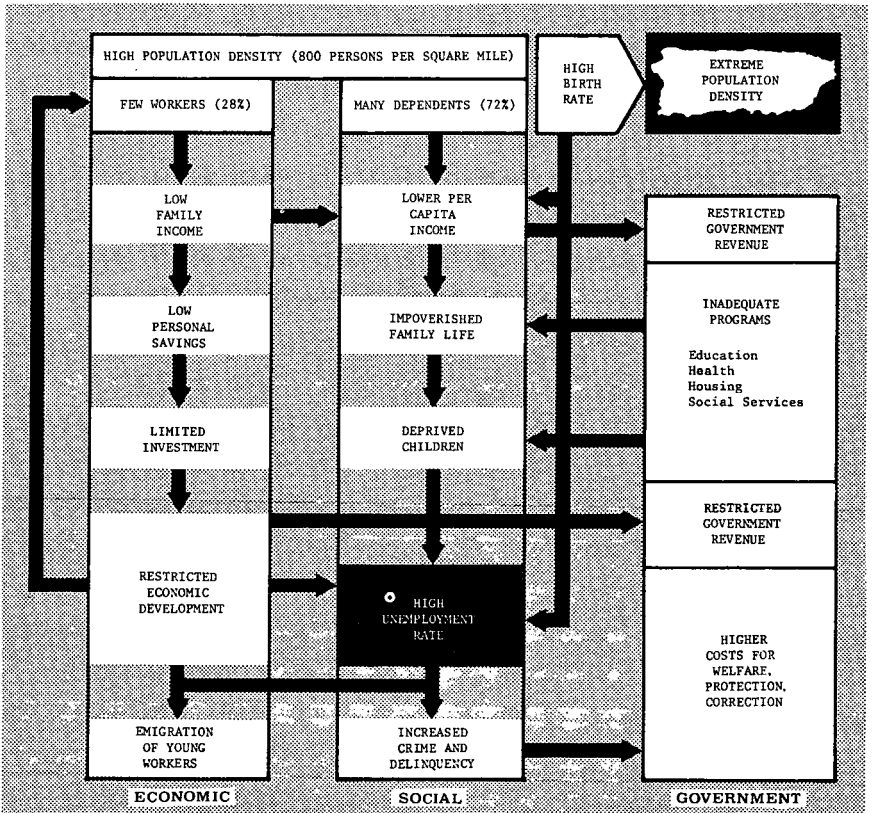
¹ Fiscal years.

² Preliminary.

Sources: Puerto Rico Planning Board, Statistical Abstract of the United States.

In the meantime, the shorter term measures for combating unemployment, especially economic development and the strengthening of education, must be applied with the utmost energy and efficiency. Puerto Rico's grave problem of unemployment is the root cause of a syndrome of poverty that must be broken now.

THE POVERTY SYNDROME



Senator JAVITS. Mr. Chairman, would you yield a minute on that?

Chairman PROXMIRE. I will be happy to.

Senator Javits, of course, has a tremendous interest in Puerto Rico and great expertise in the area, and he is the ranking member on this committee. He is very busy on the floor today, and I am delighted to yield to him for whatever time he needs.

Senator JAVITS. Thank you. You are very kind, Mr. Chairman. I will confine myself to that one question, the Fair Labor Standards Act.

That bill was in conference between the House and the Senate. I am a ranking member of the Labor Committee, and I am very deeply interested in your comment, and I speak especially to the new Secretary of Labor about how the provisions of the Senate and House bill respectively will affect Puerto Rico, as this matter will be up for settlement, and it is a matter of great importance. I would like to know if you could give me my answer in two parts. One part of it is dealing with the problems intra-Puerto Rico and the other problem dealing with the way in which to make the minimum wage situation the most congenial to finding a future for the people of Puerto Rico themselves within their own State, so that they do not have to run away. I like the idea that every American is more than free to travel anywhere he wishes, but I do not like the idea that some economic lag makes him travel even though he does not want to.

Thank you.

Mrs. DE VINCENTI. Well, perhaps I can start answering your question by disagreeing with one of the proposals of my good friend, Mr. Barton, about migration being one of the ways we could lessen unemployment.

Chairman PROXMIRE. One of the ways of what?

Mrs. DE VINCENTI. Migration being one of the ways in which we could lessen unemployment.

Chairman PROXMIRE. I see.

Mrs. DE VINCENTI. Which happens to be No. 1, I believe, in the eight points that he suggested. What our present administration believes is that there is no reason why the Puerto Ricans should migrate anywhere in order to make a living. And the way we believe in this, I think, can be definitely known by the fact that during the last year, for the first time since 1940, we have had a reverse migration of over 40,000 people. That is, Puerto Ricans coming back to Puerto Rico, in part because our administration has helped agriculture by providing help for the farmers to become more mechanized, and by giving a subsidy to the wages which were, in 1968, 55 cents an hour. This is why Governor Ferré sponsored legislation whereby the agricultural workers would be given \$1.05 as of January 1972. No, I am sorry, 1973. In other words, we have tried to make things as agreeable and as livable as possible for the Puerto Ricans to stay in Puerto Rico.

As far as the wages, minimum wages, are concerned, naturally our Administration would like the workers to receive the highest wages they possibly could. But, being realistic, we must accept the fact that in order to bring the minimum wages to the same levels as in the States, some industries have to be helped along. That is one of the reasons why we are saying for those industries who can pay not only the minimum wage, but much higher, if necessary, let them pay, because we want workers to have a decent livable income. But, for those indus-

tries that cannot afford to pay at once, we must find some way of helping them along. Because, as Governor Ferré said, the lowest income that a worker can get is unemployment, and in the past we have had a very good experience with the review committees to the point, for example, that review committees have been responsible for raising the average hourly income in 1960, which was 89 cents, to \$1.97 in 1972. And these review committees will give us a chance to give the different industries, particularly those that are more worked over or those that are at least financially able to pay, to give them a chance to come along as the economy is evolving. I mean, I want to make it clear that our Administration is not opposing a higher Federal minimum wage. What we are saying is given us an opportunity to get to that point, and to make sure that our different industries are able, or do have the ability, to pay and compete.

Senator JAVITS. Mrs. de Vincenti, you feel that for the industry review committee it is the best plan for Puerto Rico?

Mrs. DE VINCENTI. I think so, yes, sir.

Senator JAVITS. What about the hotel industry? Is that an industry that could pay the minimum?

Mrs. DE VINCENTI. Well, I think that will probably have to be taken one at a time. But, as you know, the tourism is mainly hotel industry and has been in quite a slump for the last years. It is only, I believe, about a year ago that tourism started picking up. Now, as I say, there might be some hotels who can pay the \$2 or the \$2.20 or even \$3. There might be others, more hotels, other hotels, that are just starting that might find it difficult to pay that money. Again, I would say perhaps that should be put on the basis of firm-by-firm. Those who can pay, let them pay, and those that cannot, give them a chance to get on their own two feet.

Senator JAVITS. So, you do not believe that the Senate plan which means phasing in over a period of time, the mainland minimum wage is a good one for Puerto Rico? That is the Senate Plan. The House Plan is somewhat different, but the Senate Plan would seek to phase in over a rather long period of time the basic mainland minimum. But, you do not think that it is feasible for Puerto Rico yet?

Mrs. DE VINCENTI. It might be a way, providing the stretch phasing is long enough. I mean, if we are thinking, for example, of 60 cents more, let us say, from \$1.60 to \$2.20, and if we think in terms of perhaps 5 or 6 years, that might be one way, you see. But, what we are thinking very seriously is that we cannot have it overnight.

Thank you very much.

Chairman PROXMIÉ. Could I ask one question along this line before Senator Javits leaves, because I think what you suggested is an innovative idea, and I do not know how we can provide it without a very simple provision in the law. You suggest, as I understand it, Mrs. de Vincenti, that you are permitting a lower minimum wage for those industries that are less able to pay. Now, this would be a nightmare of administration and provide a reverse incentive on efficiency, unless you do it on the basis, it seems to me, of exempting certain sized corporations. In other words, if they gross less than \$1 million, perhaps you can have an exception.

Mrs. DE VINCENTI. Perhaps that would be good.

Chairman PROXMIÉ. If you do it on the basis of ability to pay, and net earnings or something like that, then you would just be subsidiz-

ing, in effect, inefficiency, and the people who work to become efficient, and have efficiency, they have a penalty of having to pay a higher minimum wage. But, if you do it on the basis we have done it for years, as I understand it, in general in this country, with exemptions for example, for firms that gross less than \$250,000, then it is easier to administer, and there is no special preference for people who happen to have access to the officials or who can show a poor net income record. Do you see my point?

MRS. DE VINCENTI. Yes. Actually, I think an inefficient concern will eventually phase itself out of the market. I mean, because no matter how much you subsidize or help it, it comes to a point where it will not be able to continue.

Chairman PROXMIRE. My question was, would you settle for something like an exemption for small business? Would that help?

MRS. DE VINCENTI. That might be one way. I still would make the point on the retention of the review committees somewhere in there because I think that is really—you see, in Puerto Rico we have been able, within our insular scheme to raise standards, not only of wages, but actually a lot of, I would say, fringe benefits through the maintenance of our minimum wage boards, review board, that has for many years taken industries, for example, that are not organized where the workers were at the mercy of whatever the company wanted to pay. And they have been given not only increases in their actual wages, but they have been given a lot of fringe benefits, some sick pay, and so forth. Now, we believe that is a similar situation that would give us the chance to really get into the industry and see whether the industry could or could not pay through these review committees, and that would be one way of giving the workers a higher salary as it was possible to give them, and at the same time helping those that were coming along until they got to the point where they could afford to pay the minimum wage.

Chairman PROXMIRE. Unfortunately, there is a rollcall in the Senate, so Senator Javits and I will have to leave.

Senator JAVITS. Thank you very much, Mr. Chairman.

Thank you, Mrs. de Vincenti.

Chairman PROXMIRE. Congressman Moorhead.

Representative MOORHEAD. First I want to welcome our visitors from Puerto Rico. We appreciate very much your coming up here to explain this situation to us. But, we also wish to welcome Commissioner Córdova, who very ably, articulately explains to the Congress the unique situations that make the problems of Puerto Rico different from those of the mainland. So, I particularly want to welcome Commissioner Córdova.

Madam Secretary, I wonder if we could have those large charts of employment and rates of unemployment back upon the easel?

MRS. DE VINCENTI. You can follow them easier in the back, but we can have them up there if you wish to.

Representative MOORHEAD. Just as a matter of statistics, why is that the Bureau of the Census figures are so much different from your Bureau of Labor Statistics figures? Normally, I would think that the Census figures, where they are asking questions of everybody, would be more accurate than a sample, I think you said, of 6,200 families. But, you think that your statistics are more accurate; is that correct?

Mrs. DE VINCENTI. Definitely.

Representative MOORHEAD. Even though they are based on a sample, rather than the total population?

Mrs. DE VINCENTI. Yes, you see, because we have had this difference from way back between the statistics of the Bureau of the Census, and the statistics of the Department of Labor. In my prepared statement I have a quote from the Census population, 1960, your summary, "General Social and Economic Characteristics." And here it is explained how it is this difference has occurred even in the continental U.S.A., and the difference is put in, mainly, on the fact that the people who take the Census figures are people who are not really well trained, or trained for a long time.

They get paid either by the number of people they interview, by the household they visit. They get a rather short training period, and they also have to ask so many questions that one can never be too sure what happens. Actually, if you compare that with a smaller group of well-trained individuals who visit monthly several households, and who are so well-trained, that they could do that with their eyes closed, eventually you get to the point where there is more reliability in the statistics of the Bureau than in the statistics of the Census, with all due respect, you see, to the Census Bureau. But, it is something that is accepted by the Bureau itself. You know, for the census takers are usually either teachers, students, retired people, housewives, people who really have not had the kind of training that should be necessary to perform this particular kind of job. And, particularly, this year, when if you remember a lot of the questionnaires were mailed to the houses, to the homes, and we do not know really what kind of information came back, and whether it was true, or whether it was not. So, this makes it a little bit easier to think in terms of giving it more faith, putting more faith in the statistics that our own Bureau of Labor Statistics gathers and because, actually, our Bureau has an excellent reputation here in the States and all over the world. Our methodology and our figures are used regularly by the Office of American States. They are used by a lot of Latin American Republics whose government officers come up to our Bureau to learn the way we do things, and I have complete confidence in the work that is carried on by our Bureau of Labor Statistics.

Representative MOORHEAD. Does the U.S. Bureau of Labor Statistics make any survey of employment or unemployment in Puerto Rico?

Mrs. DE VINCENTI. Not in Puerto Rico, but we are in constant communication as to methodology. As a matter of fact, we even have a consultant who comes and visits us several times each year, in order to help us along, to give us new ideas so that we can carry the study on, the same way it is carried in the United States, so that there can be some kind of a comparison, if necessary, if the methodology is the same, and we have a common basis for comparison.

Representative MOORHEAD. There could be some explanation of the difference in the figures from the fact that your sample asks whether the individual has sought work in the particular week, whereas the other survey says, have you sought work in the past week.

Mrs. DE VINCENTI. There might be a slight—

Representative MOORHEAD. Which might explain the total difference and, of course, you include persons 14 years of age and up, whereas the Census Bureau uses the figure of age 16.

Mrs. DE VINCENTI. 16 although I understand that actually the difference is very slight. 0.3 percent, if I remember correctly. That would be the only difference between the 14 and the 16.

But, I think the real difference is explained in that quote I have in my prepared statement as to the reliability of the numbers.

Representative MOORHEAD. Now, Mr. Barton, using a different approach, comes up with a figure of 30 percent unemployment. How do you two reconcile your figures? Are they done in different ways?

Mr. BARTON. The figures are completely reconciled in the table. You see, the figures on unemployment are exactly the same figures as our Bureau of Labor Statistics. The only difference is in the concept of the labor force. This is not a difference in numbers, as such. This is a difference in concept. As the Secretary pointed out, the question is asked in this survey, "Did you look for work last week" and if the answer to that question is, "no," the person is put outside the labor force. But, there are many people who did not look for work last week, who want jobs, and are able to work, so this is an attempt to estimate the numbers of such peoples. A similar technique, has been used by the Federal Bureau of Labor Statistics, particularly in poverty areas, because they know that where unemployment measured by the conventional way, by the standard way, is high, there are many more people that are truly unemployed because it means that not many jobs are available, and it means that many people decide that they do not want to look for work. There is no use in it, they cannot find any. This is particularly true for us in the rural areas of Puerto Rico where except for some factories that have been established, there are very few jobs for women. So you have a paradox there. If you put in a factory in a town, the unemployment rate will rise because people know there are jobs available and they will look. So, I want to make it clear, I have tried on all occasions to make it clear that this is not in any way intended to cast any doubt on the official statistics. They are perfectly correct. This is just a different concept, and I think a more adequate measure of the size of our problem.

Mrs. DE VINCENTI. May I add something to that, too?

Representative MOORHEAD. Certainly, Madam Secretary.

Mrs. DE VINCENTI. You know, this is sort of a friendly quarrel that we have had in Puerto Rico for many years, this 30 percent. I do not know if there is anything mystical or cabalistic about this number 30, but I want to point out that this particular percentage is arrived at as explained in Mr. Barton's work, utilizing the participation rate of the United States. What we have always questioned is not the methodology, nor the numbers in the cabalistic 30 percent, but we have questioned the fact that it is arrived at, utilizing participation rates that are not necessarily true in Puerto Rico, because I think it is very unfair to utilize the participation rate of any country while trying to establish some kind of a comparison with another. I mean, it would be as unfair if we tried to figure out, let us say, what the unemployment rate in the United States is, applying the participation rate of Japan or some other country.

There are certainly tremendous differences culturally, and I would say in terms of mores, ways, in terms of customs, in terms of ways of living between Puerto Rico and the United States. For example, we do not say that a housewife is unemployed, because traditionally most housewives never go to work in Puerto Rico. We say somebody 14

years old is unemployed. And the fact is that boys and girls do not leave home until 20 or over, and if they are not working, they do not have to work because they are being supported. So, I think it is important when we think of this 30 percent that we keep in mind, that it is arrived at through the use of a participation rate that is not truly Puerto Rican.

Representative MOORHEAD. But however you figure it, the situation in Puerto Rico, according to your charts, has gotten worse from the year 1970 to the year 1971?

Mrs. DE VINCENTI. Correct.

Representative MOORHEAD. I presume, Mr. Barton, while you might disagree on the totals, you would agree that is the trend?

Mr. BARTON. That is right.

Mrs. DE VINCENTI. That is definitely the trend, Mr. Moorhead, and as I pointed out in my prepared statement, it is partly because we are getting so many young people in the labor force, and also because we are getting the reverse migration, so maybe if we come up with 50,000 new jobs but we get 40,000 people back from New York, and maybe 30,000 coming into the labor force, because they get to be 14 and over, it is quite a rate.

Representative MOORHEAD. I would like to come back to the mainland for just one question here. Mr. Barton, your prepared statement says you speak about the level of unemployment among Puerto Ricans living in the poverty areas of New York City. What is that unemployment rate, do you know, sir?

Mr. BARTON. It is in the neighborhood of 30 percent. This is the—

Representative MOORHEAD. By your way of calculating or the Secretary's?

Mr. BARTON. No, essentially, it is by a combination. But the Bureau of the Census has recently made some special tabulations that use the official method of unemployment calculation. It is a special tabulation in rather large numbers of poverty areas throughout the States and in those poverty areas in the United States, using the official "actively seeking" concept, the unemployment rate runs around 10 percent or so, and somewhat higher among Puerto Ricans. And, incidentally, it shows another thing, that the participation rate that we have been discussing earlier is higher among Puerto Ricans in the States than it is among blacks or other whites.

Representative MOORHEAD. Were you able to get those figures from the Bureau of Labor Statistics?

Mr. BARTON. No, those are Bureau of the Census figures. It is a publication that is dated July of this year. I am sorry I do not have a copy of it. But I was given a copy at the Senate Labor Committee by their staff, so I knew those data are available to you here.

Representative MOORHEAD. And this broke out Puerto Rican unemployment in New York City; is that correct?

Mr. BARTON. No, in many poverty areas. Actually, it is not Puerto Ricans. They call it "Spanish." But, then they have questions on where are they from, and about half, a little over half, are Puerto Ricans, and the rest mainly Mexicans.

Representative MOORHEAD. Is it divided down by various geographical areas?

Mr. BARTON. Yes, sir, by cities and it includes the Hopi Indians. It is a special study of unemployment in high unemployment areas in the States.

Representative MOORHEAD. And it gives the figures for each area, it does not lump them together?

Mr. BARTON. Yes; it does, sir.

Representative MOORHEAD. Thank you very much, Mr. Barton.

Thank you, Mr. Chairman.

Chairman PROXMIRE. Mrs. de Vincenti, your prepared statement puts great stress on the need to create more jobs. I do not question that need. You emphasize the great need also for skills and training and better matching of job seekers with existing jobs. What help do you need from the U.S. Department of Labor along these lines?

Mrs. DE VINCENTI. What help?

Chairman PROXMIRE. What help do you need that you are not getting? What can we do to get you more help that will be more effective in order to enable you to do better?

Mrs. DE VINCENTI. Well, certainly if we could get many more manpower programs. As I said before, we have great faith in training and retraining and Puerto Ricans are very easily trainable. If we could get more money in certain programs—I will mention one specifically, for example, New Careers.

In New Careers we only had 160 slots until a few months ago, and we finally got to the 200. Now, that is the kind of program that really gives a magnificent opportunity for training, and training particularly in those areas where we are really needing people, like, for example, in para-professionals, para-medics, new careers, and we have a chance of taking people who have barely finished the 8th grade and put them through high school and intensive courses, and then develop them into nurses' aides, technicians, and so forth. And any kind of moneys we could get we want to put them to training. I do not think we need more money to pay the unemployed.

Chairman PROXMIRE. I think there is a lot to that, a lot of sense. The difficulty, however, that we found in this country is that when we have a high unemployment rate, the training programs are less, much less satisfactory—that you have to time your training with the job opportunity. In other words, if you train a person and then there is no job for him, it is a shattering experience for the person being trained, as well as a waste of money.

Mrs. DE VINCENTI. Exactly. That is why I mentioned New Careers, because in New Careers when you train somebody, there is a written commitment that the party will have a job after the training is over.

Chairman PROXMIRE. Right. Well, that is very helpful.

Mr. Barton, isn't even your 30 percent unemployment estimate, when you consider the lower participation rate, possibly understated because of the fact that you also have a potential, very high potential, of participation by Puerto Ricans who have emigrated to this country, I should say, to the States because you are part of our country, to the States away from the lack of employment opportunities. So that if you could get your unemployment rate down, and provide more opportunities, you could get an even more emphatic reverse migration?

Mr. BARTON. I think that is correct, sir. I would like to add one point.

Chairman PROXMIRE. Is it not also true—let me just follow up and you might answer these two together. Is it not also true that the unemployment situation in Puerto Rico is tremendously sensitive to the unemployment situation in this country? If we could get unemployment down here, as in 1969, when you had a relatively low unemployment in Puerto Rico, if we could get unemployment down in the States to $3\frac{1}{2}$ percent or 3 percent or even less, it would be very helpful to you?

Mr. BARTON. Yes. You see, what actually happened, the recent large migration from Puerto Rico to the States, followed low unemployment here. It was 75,000 people, just about a record. What happened is that they came to the States, the unemployment situation got much worse here, and they have been coming back ever since. And as the Secretary pointed out, the reverse migration this year is another all-time record of 40,000 people.

I would like to add, if I might, sir, one point on this matter of training. Again I think we differ from the situation in the States, and we have kind of a paradox in the unemployment situation, and we have this great scarcity of skilled workers in many categories so that we do not have to worry; we can always find jobs for skilled people. Our unemployment rate, for example, among high school and college graduates is very low. Our problem, you see, is to create unskilled jobs, the factory jobs, the construction jobs and so forth, for people of low training. But, we can always place well-trained people.

Chairman PROXMIRE. Now, apropos of that, you talk about the grant-in-aid, and you raise some questions as to whether that increased grant-in-aid program might be helpful. You point out that you get only one-tenth of 1 percent, which is far less than your pro-rata share of population or any other basis for highway construction. It seems to me this would be beneficial in many ways. For one thing, much highway construction work does not require college graduates. For another thing, it would be very helpful in reinforcing your industrial opportunities which you could offer to industry, if you had a more developed transportation system, so that the step-up in the grant-in-aid along that line would be quite helpful. Why is it that you receive such a small percentage?

Mr. BARTON. Well, one reason, and I am not fully technically aware of this, but we get only 50-50 matching funds.

Chairman PROXMIRE. You do not get 90-10?

Mr. BARTON. We do not get 90-10, and I think it could be argued that any highway in Puerto Rico that leads to a port, and all of them do, is part of the Interstate Highway System.

Chairman PROXMIRE. I see.

Mr. BARTON. But we have not received such moneys.

Chairman PROXMIRE. What effect does the Unemployment Insurance System have on the number of people not working in Puerto Rico? I understand, for example, that a number of people will come to the States and work and when they are laid off, they go back to Puerto Rico and they get unemployment compensation from the mainland State at such a rate that the unemployment compensation exceeds the rate that they could earn if they went to work in Puerto Rico. Could that be one reason for this unemployment, people receiving unemployment compensation for jobs in the States, which unemployment compensation enables them, No. 1, to have a better income

than if they got a job, and, No. 2, to do pretty well with it, with perhaps a lower cost of living?

Mr. CORDOVA. May I attempt to give an answer to that question, Senator? I have in my files dozens of letters of Puerto Ricans who have returned to Puerto Rico because they became unemployed, in the New York area, I think, in every case. They have written to me complaining, that their unemployment compensation has been cut off because they have moved to an area of high unemployment, and I have written back to them: That is right, you have moved to an area of high unemployment instead of staying on welfare in New York, which is what the enemies of welfare in New York say that our people do. Instead of going on welfare and getting a very substantial welfare payment by Puerto Rican standards, they will go back to Puerto Rico and lose their unemployment compensation as a result. They are not being paid unemployment compensation, at least those that come from the New York area are not. They are cut off as soon as it is learned that they have moved to Puerto Rico.

Chairman PROXMIER. Well, I want to thank all of you very, very much. This has been most helpful. The hour of 11 has arrived, and we have Commissioner Moore in the audience waiting to testify.

It has been very, very helpful, and I want to thank you so much for coming up to Washington and testifying.

The Joint Economic Committee holds its 17th consecutive monthly hearing on employment and unemployment. The fact that our unemployment has remained as it has is reassuring. I was concerned last month when the unemployment rate dropped, but it seemed to me that, at most, it might be just a temporary phenomena and, frankly, I actually expected that it might go back up some this month but it has not. It has remained down; it has remained down in almost every category and I think this just has to be accepted, as good news. And we are delighted to see it. There is a mixed interpretation perhaps on the wholesale price figure. That went up rather sharply. Some of it can be accounted for, a great deal of it, by the increase in food prices but there are some other disturbing elements to it, too. But, to put this in perspective again, during this 17-month period during which you have testified, Mr. Moore, the unemployment rate has remained inexcusably high, and it has fluctuated in a narrow range of six-tenths of 1 percent.

When we held our first hearing in April 1971, the rate was 6 percent. It has eased down now to 5.5 percent. Yet, when I look at the economy's past performance in reducing the unemployment rate during recoveries. I see no reason why we should be patting ourselves on the back. After the 1952 recession, the unemployment rate dropped 2 percentage points within 1 year of its peak; in 1958 it dropped 2.4 percentage points within a year; and in 1961 it fell 1.6 percentage points, also within a year.

This administration shouldn't be bragging about a 5.5-percent unemployment rate, much less about a paltry drop of 0.6 percent in the past year and a half. Professor Paul Samuelson, whom we recognize as one of the outstanding economists in the world often presents this committee with a report card on its performance on policy questions. He rated this committee a C-minus a few years ago, mainly because I think we agreed with Professor Friedman rather than with him, but anyway, that was his rating. Certainly this administration deserves an

F for its performance last year on unemployment. It may have improved to a D-minus in the last few months, but given the complacent administration statements about reducing unemployment to the zone of 5 percent, I have the distinct impression that a D-minus or a D is about all administration policymakers are aiming for.

The discussion about the overall unemployment rate tends to obscure severe unemployment problems among various sectors. Teenagers have an unemployment rate of over 14 percent; the rate for blacks is over 9 percent. In some innercity areas, unemployment among young workers is over 30 percent. Yet, fiscal and monetary policy often are not the answer to reducing these high rates of unemployment. Public service jobs and education and training for these particular labor groups would help reduce unemployment.

Mr. Moore, we have just received some excellent testimony, as you may have heard part of it, on the unemployment situation in Puerto Rico. I hope that during our question and answer period, you will be able to comment on the labor market situation in Puerto Rico.

As is our usual practice, Commissioner, we ask that your oral statement be limited to 10 minutes. Your entire statement will be printed in full in the record. Before beginning your presentation, please introduce the other members of your staff who accompany you this morning.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY NORMAN SAMUELS, ASSISTANT COMMISSIONER FOR WAGES AND INDUSTRIAL RELATIONS; JOEL POPKIN, ASSISTANT COMMISSIONER FOR PRICES AND LIVING CONDITIONS; HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; AND JEROME MARK, ASSISTANT COMMISSIONER FOR PRODUCTIVITY AND TECHNOLOGY

Mr. MOORE. I have with me Mr. Jerry Mark, who is in charge of our productivity and technology; Mr. Hyman Kaitz, in charge of our work on current employment analysis; Mr. Joel Popkin, in charge of prices; and Mr. Norman Samuels, who is in charge of wages and industrial relations.

I should like to put in the record, if I may, the two releases that we issued this morning, the one on the employment situation, and the one on the wholesale price index, and also a table that I have used in these hearings in the past on the measures of price and wage changes before and during the wage stabilization program. I have copies of the latter tables with me if you would care to have them.

Chairman PROXMIRE. Without objection, it will be placed in the record at this point.

(The two releases and table follow:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-533, Aug. 4, 1972]

THE EMPLOYMENT SITUATION: JULY 1972

The Nation's employment situation was unchanged in July, with the overall unemployment rate holding at 5.5 percent and the number of employed persons remaining at the June level, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The jobless rate in June and July was substantially below the rates of around 6 percent which had prevailed since the close of 1970.

At 81.7 million (seasonally adjusted), total employment was unchanged from June. Over the year, the number of jobholders has increased by almost 2.5 million persons. Nonfarm payroll employment was also essentially unchanged over the month. A rise in service industries employment was offset by a decline in employment in goods-producing industries, due in part to the effects of tropical storm Agnes and increased strike activity in construction.

Unemployment

The number of unemployed persons totaled 5.2 million in July, down from 5.4 million in June. This was in line with the expected seasonal change, and, after seasonal adjustment, there was no change in either the level or rate of unemployment.

Unemployment rates for most of the major age-sex-color groups showed little or no change over the month. Specifically, jobless rates for adult men (3.9 percent), adult women (5.7 percent), teenagers (14.8 percent), married men (2.7 percent), whites (5.0 percent), and Negroes (9.9 percent) were all essentially the same as in June. Although the jobless rate for all adult men (20 years and over) was unchanged, the rate was down over the month for men 25 and over. The rate for household heads also declined—from a June level of 3.6 percent to 3.3 percent in July. Jobless rates for all of the above groups were down over the year, except for adult women and Negro workers, whose rates remained the same.

Jobless rates were also unchanged over the month for most of the other major labor force categories, including full-time workers, part-time workers, State insured unemployed, blue-collar workers, and manufacturing workers. (See table A-3). However, the rate for construction workers moved up to 10.9 percent over the month, after declining in the previous month.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | July 1972 | June 1972 | May 1972 | 2d quarter, 1972 | 1st quarter, 1972 | 4th quarter, 1971 | 3d quarter, 1971 | 2d quarter, 1971 |
|--|--------------------|--------------------|----------|--------------------|-------------------|-------------------|------------------|------------------|
| Civilian labor force¹ (millions of persons): | 86.5 | 86.4 | 86.5 | 86.4 | 85.9 | 85.0 | 84.2 | 83.7 |
| Total employment¹..... | 81.7 | 81.7 | 81.4 | 81.4 | 80.8 | 80.0 | 79.2 | 78.7 |
| Adult men..... | 47.0 | 46.9 | 46.6 | 46.7 | 46.4 | 46.1 | 45.9 | 45.7 |
| Adult women..... | 28.1 | 28.0 | 27.9 | 27.9 | 27.9 | 27.5 | 27.1 | 26.9 |
| Teenagers..... | 6.6 | 6.7 | 6.9 | 6.8 | 6.6 | 6.3 | 6.2 | 5.1 |
| Unemployment..... | 4.8 | 4.7 | 5.1 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Unemployment rates (percent of labor force): | | | | | | | | |
| All workers..... | 5.5 | 5.5 | 5.9 | 5.7 | 5.8 | 5.9 | 6.0 | 6.0 |
| Adult men..... | 3.9 | 4.0 | 4.3 | 4.2 | 4.1 | 4.3 | 4.4 | 4.4 |
| Adult women..... | 5.7 | 5.5 | 5.9 | 5.6 | 5.3 | 5.7 | 5.7 | 5.8 |
| Teenagers..... | 14.8 | 14.5 | 15.7 | 15.8 | 18.2 | 16.9 | 16.8 | 16.9 |
| White..... | 5.0 | 5.0 | 5.3 | 5.3 | 5.3 | 5.4 | 5.5 | 5.5 |
| Negro and other races..... | 9.9 | 9.4 | 10.7 | 9.9 | 10.6 | 10.1 | 10.1 | 9.9 |
| Household heads..... | 3.3 | 3.6 | 3.6 | 3.5 | 3.4 | 3.6 | 3.7 | 3.7 |
| Married men..... | 2.7 | 2.9 | 2.9 | 2.9 | 2.9 | 3.2 | 3.2 | 3.2 |
| Full-time workers..... | 5.1 | 5.0 | 5.6 | 5.3 | 5.4 | 5.6 | 5.5 | 5.5 |
| State insured ² | 3.7 | 3.6 | 3.7 | 3.6 | 3.5 | 4.2 | 4.2 | 4.1 |
| Average duration of unemployment (weeks)..... | 11.8 | 13.5 | 12.5 | 12.8 | 12.2 | 11.9 | 11.7 | 11.7 |
| Nonfarm payroll employment (millions of persons): | | | | | | | | |
| Goods-producing industries..... | ³ 72.6 | ³ 72.6 | 72.6 | ³ 72.5 | 71.8 | 71.0 | 70.6 | 70.7 |
| Service-producing industries..... | ³ 22.6 | ³ 22.8 | 22.8 | ³ 22.8 | 22.6 | 22.4 | 22.4 | 22.5 |
| Average weekly hours (hours of work): | | | | | | | | |
| Total private nonfarm..... | ³ 37.3 | ³ 37.3 | 37.0 | ³ 37.2 | 37.1 | 37.1 | 36.8 | 37.0 |
| Manufacturing..... | ³ 40.7 | ³ 40.7 | 40.5 | ³ 40.6 | 40.3 | 40.1 | 39.8 | 39.9 |
| Manufacturing overtime..... | ³ 3.5 | ³ 3.4 | 3.4 | ³ 3.4 | 3.1 | 3.0 | 2.9 | 2.9 |
| Hourly earnings index, private nonfarm (1967=100): | | | | | | | | |
| In current dollars..... | ³ 137.5 | ³ 136.9 | 136.8 | ³ 136.8 | 134.9 | 132.2 | 130.7 | 128.8 |
| In constant dollars..... | (*) | ³ 109.7 | 109.7 | ³ 109.8 | 108.9 | 107.7 | 107.2 | 106.7 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

² For calculation of this rate, see table A-3, footnote 2.

³ Preliminary.

⁴ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

The average (mean) duration of unemployment was 11.8 weeks in July, down from the usually high level of 13.5 weeks in June and at about the same level as a year ago. Over the year, the number of persons unemployed 15 weeks or more has dropped by 90,000, the number unemployed 5 to 14 weeks has decreased about 70,000, and there has been no change in the number unemployed a month or less.

Although there was no change in total joblessness in July, there were changes in the composition of the unemployed by reason for unemployment. The number of unemployed workers who had lost their job declined by 120,000 over the month (seasonally adjusted), and there was also a decline among new entrants to the labor force. (This was countered by an increase in the number who were reentering the labor force. (See table A-5.) Over the year, there has been a substantial decrease in the number of job losers and a smaller reduction in the number of reentrants. In contrast, the number of persons unemployed because they left their last job actually increased.

Civilian labor force and total employment

With virtually no change in either employment or unemployment levels (seasonally adjusted), the civilian labor force remained essentially unchanged at 86.5 million over the month. Since July 1971, total employment has risen by nearly 2.5 million (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972). Adult men accounted for almost 1.1 million of this increase, adult women for 930,000, and teenagers for 470,000.

Vietnam era veterans

The employment situation for Vietnam Era veterans 20 to 29 years old was essentially unchanged in July but showed improvement over the year. Of the 4.3 million veterans in the labor force in July, about 4 million were employed and 300,000 were unemployed. Their seasonally adjusted rate of unemployment was 7.3 percent. (See table A-7.) Over the year, their labor force rose by 460,000, in line with the net increase in the 20-29 year-old veteran population. All of the increase occurred in employment, and this change was largely responsible for the drop in the unemployment rate over the year—from 8.6 to 7.3 percent. Another factor was the shift in the age composition of veterans; a larger proportion of veterans now than a year ago are in the 25 to 29 age group where the unemployment rate is substantially lower.

For nonveterans in the 20-29 year age group, the seasonally adjusted unemployment rate was 6.5 percent in July, unchanged from June and not significantly below a year ago. The gap between the unemployment rate of veterans and the lower rate of nonveterans continued to be less than 1 percentage point, approximately half the difference in July 1971.

Industry payroll employment

Nonfarm payroll jobs totaled 72.6 million in July, seasonally adjusted, little changed from the levels of the previous 2 months. Since July a year ago, payroll employment has advanced by 2.0 million jobs. Employment continued to increase in the service-producing industries between June and July, but this gain was offset by a decline in the goods-producing sector, due in part to new strike activity in contract construction and the aftermath of tropical storm Agnes.

In the service-producing industries, employment rose by 105,000, seasonally adjusted, as a result of increases in services and State and local government. Employment in trade was unchanged in July, after posting a substantial gain in June (as revised), while employment in transportation and public utilities, the Federal government, and finance, insurance, and real estate edged down over the month. Since last July, employment in the service-producing sector has increased by 1.7 million jobs.

Employment in the goods-producing sector dropped over the month by 190,000, seasonally adjusted; the decline was about equally divided between manufacturing and contract construction. Manufacturing employment dropped 100,000, seasonally adjusted after increasing 430,000 during the first half of the year. Most of this reduction occurred in the nondurable goods sector, particularly in the apparel industry. In durable goods, the largest employment decline took place in electrical equipment.

The number of workers on contract construction payrolls declined in July by 90,000, seasonally adjusted, after showing little change over the previous 4 months. This cutback resulted in large part from several labor disputes in the industry plus the effects of tropical storm Agnes.

Hours of work

The average workweek for all rank-and-file workers on private nonagricultural payrolls was unchanged in July at 37.3 hours, seasonally adjusted. Hours of work in manufacturing also remained the same over the month (40.7 hours) but were up seven-tenths of an hour over the past year. Factory overtime hours were about unchanged in July but, at 3.5 hours (seasonally adjusted), were a half hour above a year ago.

Hourly and weekly earnings

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls edged up 1 cent in July to \$3.62, both before and after seasonal adjustment. Compared with July a year ago, hourly earnings have risen 19 cents, or 5.5 percent.

The small gain in hourly earnings, coupled with a rise of 0.2 hour in the workweek (not seasonally adjusted), resulted in an advance of \$1.09 in average weekly earnings to \$136.47. After seasonal adjustment, average weekly earnings increased by 38 cents.

Since July 1971, average weekly earnings have risen \$8.53, or 6.7 percent. During the latest 12-month period for which the Consumer Price Index is available—June 1971 to June 1972—consumer prices rose 2.9 percent.

Hourly Earnings Index

The Bureau's Hourly Earnings Index, seasonally adjusted, was 137.5 (1967=100) in July, 0.4 percent higher than in June, according to preliminary figures. The index was 5.8 percent above July a year ago. (See table B-4.) All industries posted over-the-year increases, ranging from 4.0 percent in services to 11.1 percent in transportation and public utilities. During the 12-month period ending in June, the Hourly Earnings Index in dollars of constant purchasing power rose 2.9 percent.

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication, *Employment and Earnings*.

NOTE.—Figures for periods prior to January 1972 in the tables and charts are not strictly comparable with current data because of the introduction of 1970 Census data into the estimation procedures. For example, the civilian labor force and employment totals were raised by more than 300,000 as a result of the census adjustment. An explanation of the changes and an indication of the differences appears in "Revisions in the Current Population Survey" in the February 1972 issue of "Employment and Earnings."

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

[In thousands]

| Employment status, age, and sex | July 1972 | June 1972 | July 1971 | Seasonally adjusted | | | | |
|--|--------------|--------------|--------------|---------------------|--------------|-------------|---------------|---------------|
| | | | | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 |
| TOTAL | | | | | | | | |
| Total labor force..... | 91,005 | 90,448 | 88,808 | 88,855 | 88,788 | 88,905 | 88,747 | 88,817 |
| Civilian labor force..... | 88,617 | 88,055 | 86,011 | 86,467 | 86,395 | 86,486 | 86,284 | 86,313 |
| Employed..... | 83,443 | 82,629 | 80,681 | 81,682 | 81,667 | 81,394 | 81,205 | 81,241 |
| Agriculture..... | 4,061 | 3,976 | 3,971 | 3,445 | 3,337 | 3,353 | 3,324 | 3,482 |
| Nonagricultural indus- tries..... | 79,383 | 78,653 | 76,710 | 78,237 | 78,330 | 78,041 | 77,881 | 77,759 |
| On part time for eco- nomic reasons.... | 3,174 | 3,055 | 3,033 | 2,509 | 2,521 | 2,421 | 2,558 | 2,416 |
| Usually work full time..... | 1,034 | 1,177 | 1,094 | 1,085 | 1,022 | 1,102 | 1,131 | 1,155 |
| Usually work part time..... | 2,140 | 1,878 | 1,939 | 1,424 | 1,499 | 1,319 | 1,427 | 1,261 |
| Unemployed..... | 5,173 | 5,426 | 5,330 | 4,785 | 4,728 | 5,092 | 5,079 | 5,072 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 49,422 | 49,293 | 48,393 | 48,961 | 48,882 | 48,700 | 48,614 | 48,582 |
| Employed..... | 47,574 | 47,391 | 46,410 | 47,032 | 46,919 | 46,628 | 46,541 | 46,569 |
| Agriculture..... | 2,660 | 2,642 | 2,633 | 2,474 | 2,437 | 2,404 | 2,370 | 2,400 |
| Nonagricultural indus- tries..... | 44,914 | 44,749 | 43,777 | 44,558 | 44,482 | 44,224 | 44,171 | 44,169 |
| Unemployed..... | 1,848 | 1,902 | 1,983 | 1,929 | 1,963 | 2,072 | 2,073 | 2,013 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 29,018 | 29,240 | 27,852 | 29,789 | 29,657 | 29,625 | 29,508 | 29,574 |
| Employed..... | 27,317 | 27,597 | 26,232 | 28,078 | 28,029 | 27,883 | 27,913 | 27,972 |
| Agriculture..... | 703 | 669 | 669 | 556 | 496 | 551 | 563 | 620 |
| Nonagricultural indus- tries..... | 26,614 | 26,927 | 25,563 | 27,522 | 27,533 | 27,332 | 27,350 | 27,352 |
| Unemployed..... | 1,701 | 1,643 | 1,620 | 1,711 | 1,628 | 1,742 | 1,595 | 1,602 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 10,177 | 9,522 | 9,766 | 7,717 | 7,856 | 8,161 | 8,162 | 8,157 |
| Employed..... | 8,553 | 7,641 | 8,039 | 6,572 | 6,719 | 6,883 | 6,751 | 6,700 |
| Agriculture..... | 698 | 665 | 669 | 415 | 404 | 398 | 391 | 462 |
| Nonagricultural indus- tries..... | 7,855 | 6,977 | 7,370 | 6,157 | 6,315 | 6,485 | 6,360 | 6,238 |
| Unemployed..... | 1,624 | 1,880 | 1,727 | 1,145 | 1,137 | 1,278 | 1,411 | 1,457 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE BY SEX AND AGE

[Numbers in thousands]

| Full- and part-time employment status, sex, and age | Seasonally adjusted | | | | | | | |
|---|---------------------|-----------|-----------|-----------|----------|------------|------------|-----------|
| | July 1972 | July 1971 | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 | July 1971 |
| FULL TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 78,270 | 75,871 | 74,218 | 74,333 | 74,032 | 73,691 | 73,714 | 71,995 |
| Employed..... | 73,955 | 71,435 | 70,437 | 70,643 | 69,918 | 69,725 | 69,734 | 68,128 |
| Unemployed..... | 4,315 | 4,437 | 3,781 | 3,690 | 4,114 | 3,966 | 3,980 | 3,867 |
| Unemployment rate..... | 5.5 | 5.8 | 5.1 | 5.0 | 5.6 | 5.4 | 5.4 | 5.4 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 47,250 | 46,326 | 46,588 | 46,504 | 46,330 | 46,199 | 46,123 | 45,685 |
| Employed..... | 45,538 | 44,476 | 44,821 | 44,745 | 44,441 | 44,330 | 44,282 | 43,776 |
| Unemployed..... | 1,712 | 1,850 | 1,767 | 1,759 | 1,889 | 1,869 | 1,841 | 1,909 |
| Unemployment rate..... | 3.6 | 4.0 | 3.8 | 3.8 | 4.1 | 4.0 | 4.0 | 4.2 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 23,371 | 22,245 | 23,477 | 23,483 | 23,292 | 23,145 | 23,208 | 22,347 |
| Employed..... | 21,938 | 20,923 | 22,093 | 22,180 | 21,828 | 21,896 | 21,904 | 21,070 |
| Unemployed..... | 1,432 | 1,322 | 1,384 | 1,303 | 1,464 | 1,249 | 1,304 | 1,277 |
| Unemployment rate..... | 6.1 | 5.9 | 5.9 | 5.5 | 6.3 | 5.4 | 5.6 | 5.7 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 10,347 | 10,140 | 12,208 | 11,867 | 12,406 | 12,466 | 12,596 | 11,954 |
| Employed..... | 9,488 | 9,247 | 11,211 | 10,825 | 11,403 | 11,369 | 11,497 | 10,918 |
| Unemployed..... | 859 | 893 | 997 | 1,042 | 1,003 | 1,097 | 1,099 | 1,036 |
| Unemployment rate..... | 8.3 | 8.8 | 8.2 | 8.8 | 8.1 | 8.8 | 8.7 | 8.7 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

[Persons 16 years and over]

| Selected categories | Thousands of persons unemployed | | Seasonally adjusted rates of unemployment | | | | | |
|--|---------------------------------|-----------|---|-----------|----------|------------|------------|-----------|
| | July 1972 | July 1971 | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 | July 1971 |
| Total (all civilian workers)..... | 5,173 | 5,330 | 5.5 | 5.5 | 5.9 | 5.9 | 5.9 | 5.9 |
| Men, 20 years and over..... | 1,848 | 1,983 | 3.9 | 4.0 | 4.3 | 4.3 | 4.1 | 4.3 |
| Women, 20 years and over..... | 1,701 | 1,620 | 5.7 | 5.5 | 5.9 | 5.4 | 5.4 | 5.7 |
| Both sexes, 16-19 years..... | 1,624 | 1,727 | 14.8 | 14.5 | 15.7 | 17.3 | 17.9 | 16.5 |
| White..... | 4,053 | 4,224 | 5.0 | 5.0 | 5.3 | 5.4 | 5.3 | 5.4 |
| Negro and other races..... | 1,121 | 1,106 | 9.9 | 9.4 | 10.7 | 9.6 | 10.5 | 10.0 |
| Household heads..... | 1,600 | 1,722 | 3.3 | 3.6 | 3.6 | 3.4 | 3.4 | 3.6 |
| Married men..... | 979 | 1,110 | 2.7 | 2.9 | 2.9 | 2.9 | 2.8 | 3.1 |
| Full-time workers..... | 4,315 | 4,437 | 5.1 | 5.0 | 5.6 | 5.4 | 5.4 | 5.4 |
| Part-time workers..... | 859 | 893 | 8.2 | 8.8 | 8.1 | 8.8 | 8.7 | 8.7 |
| Unemployed 15 weeks and over ¹ | 1,041 | 1,131 | 1.3 | 1.3 | 1.4 | 1.3 | 1.4 | 1.5 |
| State insured ² | 1,842 | 1,979 | 3.7 | 3.6 | 3.7 | 3.6 | 3.5 | 4.0 |
| Labor force time lost ³ | | | 6.0 | 5.5 | 6.3 | 6.3 | 6.3 | 6.3 |
| OCCUPATION ⁴ | | | | | | | | |
| White-collar workers..... | 1,418 | 1,450 | 3.4 | 3.1 | 3.6 | 3.4 | 3.5 | 3.5 |
| Professional and technical..... | 335 | 365 | 2.5 | 1.9 | 2.4 | 2.3 | 2.5 | 2.8 |
| Managers and administrators, except farm..... | 150 | 141 | 1.9 | 1.4 | 1.5 | 1.8 | 1.9 | 1.6 |
| Sales workers..... | 240 | 244 | 4.3 | 4.0 | 4.5 | 3.7 | 4.1 | 4.6 |
| Clerical workers..... | 693 | 701 | 4.6 | 4.8 | 5.3 | 4.9 | 4.9 | 4.9 |
| Blue-collar workers..... | 1,904 | 2,049 | 6.4 | 6.4 | 6.8 | 6.8 | 6.9 | 7.2 |
| Craftsmen and kindred workers..... | 385 | 445 | 4.3 | 4.5 | 4.7 | 4.4 | 4.0 | 5.1 |
| Operatives..... | 1,065 | 1,178 | 7.1 | 6.8 | 7.1 | 7.4 | 7.7 | 8.1 |
| Nonfarm laborers..... | 453 | 426 | 9.3 | 9.5 | 10.9 | 10.7 | 11.7 | 9.2 |
| Service workers..... | 815 | 774 | 6.6 | 5.7 | 6.1 | 6.3 | 6.6 | 6.5 |
| Farm workers..... | 75 | 90 | 2.2 | 2.6 | 3.0 | 2.2 | 1.9 | 2.6 |
| INDUSTRY ⁴ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁵ | 3,622 | 3,750 | 5.8 | 5.5 | 6.0 | 5.9 | 6.1 | 6.1 |
| Construction..... | 351 | 304 | 10.9 | 9.5 | 12.5 | 10.6 | 9.8 | 9.8 |
| Manufacturing..... | 1,206 | 1,398 | 5.7 | 5.6 | 6.0 | 5.8 | 6.2 | 6.7 |
| Durable goods..... | 714 | 839 | 5.7 | 5.7 | 6.3 | 5.8 | 6.3 | 6.8 |
| Non-durable goods..... | 491 | 558 | 5.6 | 5.5 | 5.7 | 5.9 | 6.1 | 6.5 |
| Transportation and public utilities..... | 174 | 143 | 3.6 | 3.1 | 3.5 | 3.7 | 4.0 | 3.1 |
| Wholesale and retail trade..... | 1,049 | 982 | 6.5 | 6.5 | 6.3 | 6.2 | 6.7 | 6.4 |
| Finance and service industries..... | 822 | 897 | 4.6 | 4.2 | 5.0 | 5.1 | 5.3 | 5.2 |
| Government workers..... | 427 | 423 | 2.8 | 2.5 | 2.9 | 2.9 | 2.8 | 2.9 |
| Agricultural wage and salary workers..... | 88 | 107 | 6.0 | 7.5 | 8.8 | 6.0 | 6.0 | 7.8 |

¹ Unemployment rate calculated as a percent of civilian labor force.² Insured unemployment under State programs—unemployment rate calculated as a percent of average covered employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.³ Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.⁴ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.⁵ Includes mining, not shown separately.

TABLE A-4.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT

[In thousands]

| Duration of unemployment | Seasonally adjusted | | | | | | | |
|--|---------------------|-----------|-----------|-----------|----------|------------|------------|-----------|
| | July 1972 | July 1971 | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 | July 1971 |
| Less than 5 weeks..... | 2,347 | 2,348 | 2,149 | 2,175 | 2,223 | 2,169 | 2,311 | 2,150 |
| 5 to 14 weeks..... | 1,785 | 1,851 | 1,478 | 1,437 | 1,514 | 1,521 | 1,412 | 1,532 |
| 15 weeks and over..... | 1,041 | 1,131 | 1,155 | 1,148 | 1,180 | 1,137 | 1,224 | 1,255 |
| 15 to 26 weeks..... | 486 | 516 | 658 | 594 | 587 | 482 | 591 | 704 |
| 27 weeks and over..... | 555 | 615 | 497 | 554 | 593 | 655 | 633 | 551 |
| Average (mean) duration, in weeks..... | 11.1 | 10.8 | 11.8 | 13.5 | 12.5 | 12.4 | 12.4 | 11.5 |

TABLE A-5.—UNEMPLOYED PERSONS BY REASON FOR UNEMPLOYMENT

[Numbers in thousands]

| Reason for unemployment | Seasonally adjusted | | | | | | | |
|--|---------------------|-----------|-----------|-----------|----------|------------|------------|-----------|
| | July 1972 | July 1971 | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 | July 1971 |
| NUMBER OF UNEMPLOYED | | | | | | | | |
| Lost last job..... | 2,022 | 2,202 | 2,093 | 2,210 | 2,199 | 2,040 | 2,118 | 2,280 |
| Left last job..... | 663 | 548 | 616 | 624 | 649 | 611 | 674 | 510 |
| Reentered labor force..... | 1,532 | 1,615 | 1,455 | 1,238 | 1,460 | 1,557 | 1,542 | 1,534 |
| Never worked before..... | 956 | 965 | 564 | 621 | 802 | 917 | 737 | 570 |
| PERCENT DISTRIBUTION | | | | | | | | |
| Total unemployed..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Lost last job..... | 39.1 | 41.3 | 44.3 | 47.1 | 43.0 | 39.8 | 41.8 | 46.6 |
| Left last job..... | 12.8 | 10.3 | 13.0 | 13.3 | 12.7 | 11.9 | 13.3 | 10.4 |
| Reentered labor force..... | 29.6 | 30.3 | 30.8 | 26.4 | 28.6 | 30.4 | 30.4 | 31.3 |
| Never worked before..... | 18.5 | 18.1 | 11.9 | 13.2 | 15.7 | 17.8 | 14.5 | 11.6 |
| UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE | | | | | | | | |
| Lost last job..... | 2.3 | 2.6 | 2.4 | 2.6 | 2.5 | 2.4 | 2.5 | 2.7 |
| Left last job..... | .7 | .6 | .7 | .7 | .8 | .7 | .8 | .6 |
| Reentered labor force..... | 1.7 | 1.9 | 1.7 | 1.4 | 1.7 | 1.8 | 1.8 | 1.8 |
| Never worked before..... | 1.1 | 1.1 | .7 | .7 | .9 | 1.1 | .9 | .7 |

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work, July 1972 | Seasonally adjusted unemployment rates | | | | | |
|---------------------------------|----------------------|-----------|---|--|-----------|----------|------------|------------|-----------|
| | July 1972 | July 1971 | | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 | July 1971 |
| Total, 16 years and over..... | 5,173 | 5,330 | 83.4 | 5.5 | 5.5 | 5.9 | 5.9 | 5.9 | 5.9 |
| 16 to 19 years..... | 1,624 | 1,727 | 72.0 | 14.8 | 14.5 | 15.7 | 17.3 | 17.9 | 16.5 |
| 16 and 17 years..... | 833 | 893 | 58.9 | 16.5 | 16.5 | 16.6 | 19.1 | 20.7 | 18.3 |
| 18 and 19 years..... | 791 | 834 | 85.8 | 13.5 | 12.9 | 15.8 | 15.5 | 15.8 | 15.0 |
| 20 to 24 years..... | 1,217 | 1,150 | 90.1 | 9.8 | 8.7 | 9.9 | 10.0 | 9.9 | 9.8 |
| 25 years and over..... | 2,333 | 2,453 | 87.8 | 3.7 | 3.9 | 3.9 | 3.8 | 3.7 | 4.0 |
| 25 to 54 years..... | 1,883 | 2,043 | 90.3 | 3.8 | 4.0 | 4.0 | 3.8 | 3.9 | 4.2 |
| 55 years and over..... | 449 | 410 | 77.3 | 3.4 | 3.6 | 3.6 | 3.6 | 3.3 | 3.2 |
| Males, 16 years and over..... | 2,659 | 2,908 | 87.0 | 4.7 | 4.8 | 5.3 | 5.3 | 5.3 | 5.2 |
| 16 to 19 years..... | 811 | 924 | 74.1 | 13.6 | 13.8 | 16.6 | 16.7 | 17.8 | 15.8 |
| 16 and 17 years..... | 413 | 515 | 63.0 | 14.6 | 15.4 | 18.0 | 19.3 | 21.4 | 18.4 |
| 18 and 19 years..... | 398 | 409 | 85.7 | 12.8 | 12.4 | 16.2 | 14.8 | 15.1 | 13.7 |
| 20 to 24 years..... | 651 | 643 | 89.7 | 9.6 | 8.3 | 9.4 | 10.7 | 10.4 | 10.2 |
| 25 years and over..... | 1,198 | 1,341 | 94.2 | 3.0 | 3.3 | 3.4 | 3.3 | 3.2 | 3.4 |
| 25 to 54 years..... | 951 | 1,092 | 96.6 | 3.0 | 3.3 | 3.4 | 3.2 | 3.1 | 3.5 |
| 55 years and over..... | 247 | 249 | 84.6 | 3.1 | 3.5 | 3.5 | 3.5 | 3.4 | 3.1 |
| Females, 16 years and over..... | 2,514 | 2,422 | 79.6 | 6.9 | 6.5 | 6.8 | 6.8 | 6.8 | 6.9 |
| 16 to 19 years..... | 813 | 803 | 70.0 | 16.4 | 15.4 | 14.6 | 18.0 | 17.9 | 17.2 |
| 16 and 17 years..... | 420 | 378 | 55.0 | 18.9 | 18.1 | 14.8 | 19.0 | 19.8 | 18.3 |
| 18 and 19 years..... | 393 | 424 | 86.3 | 14.4 | 13.5 | 15.3 | 16.4 | 16.8 | 16.4 |
| 20 to 24 years..... | 567 | 507 | 90.5 | 10.1 | 9.2 | 10.6 | 9.0 | 9.2 | 9.4 |
| 25 years and over..... | 1,135 | 1,112 | 81.0 | 4.8 | 4.8 | 4.8 | 4.6 | 4.7 | 4.9 |
| 25 to 54 years..... | 933 | 951 | 83.6 | 5.1 | 5.1 | 5.0 | 4.9 | 5.1 | 5.4 |
| 55 years and over..... | 202 | 161 | 68.8 | 4.0 | 3.8 | 3.8 | 3.6 | 3.1 | 3.3 |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

[Numbers in thousands]

| Employment status | July 1972 | June 1972 | July 1971 | Seasonally adjusted | | | | | |
|---|-----------|-----------|-----------|---------------------|-----------|----------|------------|------------|-----------|
| | | | | July 1972 | June 1972 | May 1972 | April 1972 | March 1972 | July 1971 |
| VETERANS ¹ | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² | 4,551 | 4,529 | 4,089 | 4,551 | 4,529 | 4,519 | 4,498 | 4,470 | 4,089 |
| Civilian labor force..... | 4,280 | 4,230 | 3,815 | 4,206 | 4,183 | 4,196 | 4,161 | 4,137 | 3,750 |
| Employed..... | 3,979 | 3,950 | 3,502 | 3,898 | 3,881 | 3,858 | 3,804 | 3,783 | 3,429 |
| Unemployed..... | 301 | 280 | 313 | 308 | 302 | 338 | 357 | 354 | 321 |
| Unemployment rate..... | 7.0 | 6.6 | 8.2 | 7.3 | 7.2 | 8.1 | 8.6 | 8.6 | 8.6 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 1,928 | 1,943 | 1,963 | 1,928 | 1,943 | 1,970 | 1,987 | 2,000 | 1,963 |
| Civilian labor force..... | 1,787 | 1,792 | 1,771 | 1,745 | 1,775 | 1,792 | 1,810 | 1,817 | 1,729 |
| Employed..... | 1,596 | 1,632 | 1,572 | 1,559 | 1,600 | 1,608 | 1,581 | 1,594 | 1,535 |
| Unemployed..... | 191 | 160 | 199 | 186 | 175 | 184 | 229 | 223 | 194 |
| Unemployment rate..... | 10.7 | 8.9 | 11.2 | 10.7 | 9.9 | 10.3 | 12.7 | 12.3 | 11.2 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 2,623 | 2,586 | 2,126 | 2,623 | 2,586 | 2,549 | 2,511 | 2,470 | 2,126 |
| Civilian labor force..... | 2,493 | 2,438 | 2,044 | 2,461 | 2,408 | 2,404 | 2,351 | 2,320 | 2,021 |
| Employed..... | 2,383 | 2,318 | 1,930 | 2,339 | 2,281 | 2,250 | 2,223 | 2,189 | 1,894 |
| Unemployed..... | 110 | 120 | 114 | 122 | 127 | 154 | 128 | 131 | 127 |
| Unemployment rate..... | 4.4 | 4.9 | 5.6 | 5.0 | 5.3 | 6.4 | 5.4 | 5.6 | 6.3 |
| NONVETERANS | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² | 10,085 | 10,036 | 9,428 | 10,085 | 10,036 | 9,914 | 9,840 | 9,779 | 9,428 |
| Civilian labor force..... | 9,236 | 9,076 | 8,576 | 8,715 | 8,677 | 8,555 | 8,527 | 8,513 | 8,105 |
| Employed..... | 8,635 | 8,412 | 7,962 | 8,149 | 8,110 | 7,949 | 7,875 | 7,873 | 7,525 |
| Unemployed..... | 601 | 664 | 614 | 566 | 567 | 606 | 652 | 640 | 580 |
| Unemployment rate..... | 6.5 | 7.3 | 7.2 | 6.5 | 6.5 | 7.1 | 7.6 | 7.5 | 7.2 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 6,086 | 6,065 | 5,582 | 6,086 | 6,065 | 5,958 | 5,918 | 5,884 | 5,582 |
| Civilian labor force..... | 5,420 | 5,298 | 4,886 | 4,909 | 4,904 | 4,808 | 4,813 | 4,843 | 4,425 |
| Employed..... | 4,960 | 4,792 | 4,443 | 4,485 | 4,512 | 4,369 | 4,332 | 4,352 | 4,017 |
| Unemployed..... | 460 | 506 | 443 | 424 | 392 | 439 | 481 | 491 | 408 |
| Unemployment rate..... | 8.5 | 9.6 | 9.1 | 8.6 | 8.0 | 9.1 | 10.0 | 10.1 | 9.2 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 3,999 | 3,971 | 3,846 | 3,999 | 3,971 | 3,956 | 3,922 | 3,895 | 3,846 |
| Civilian labor force..... | 3,816 | 3,778 | 3,690 | 3,806 | 3,773 | 3,747 | 3,714 | 3,670 | 3,680 |
| Employed..... | 3,675 | 3,620 | 3,519 | 3,664 | 3,598 | 3,580 | 3,543 | 3,521 | 3,508 |
| Unemployed..... | 141 | 158 | 171 | 142 | 175 | 167 | 171 | 149 | 172 |
| Unemployment rate..... | 3.7 | 4.2 | 4.6 | 3.7 | 4.6 | 4.5 | 4.6 | 4.1 | 4.7 |

¹ Vietnam Era veterans are those who served after August 4, 1964; they are all classified as war veterans. 80 percent of the Vietnam era veterans of all ages are 20 to 29 years old. Post-Korean-peace-time veterans 20 to 29 years old are not included in this table.

² Since seasonal variations are not present in the population figures, identical numbers appear in the unadjusted and seasonally adjusted columns.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

[In thousands]

| Industry | | | | | Change from | | Seasonally adjusted | | | Change from June 1972 |
|--|------------------------|------------------------|----------|-----------|-------------|-----------|------------------------|------------------------|----------|--------------------------|
| | July 1972 ¹ | June 1972 ¹ | May 1972 | July 1971 | June 1972 | July 1971 | July 1972 ¹ | June 1972 ¹ | May 1972 | |
| Total..... | 72,413.0 | 73,361.0 | 72,533.0 | 70,452.0 | -948.0 | 1,961.0 | 72,565 | 72,647 | 72,558 | -82 |
| Goods producing..... | 22,778.0 | 23,150.0 | 22,672.0 | 22,541.0 | -372.0 | 237.0 | 22,648 | 22,835 | 22,831 | -187 |
| Mining..... | 613.0 | 612.0 | 602.0 | 613.0 | 1.0 | 0.0 | 597 | 598 | 602 | -1 |
| Contract construction..... | 3,399.0 | 3,401.0 | 3,246.0 | 3,480.0 | -2.0 | -81.0 | 3,153 | 3,242 | 3,256 | -89 |
| Manufacturing..... | 18,766.0 | 19,137.0 | 18,824.0 | 18,448.0 | -371.0 | 318.0 | 18,898 | 18,995 | 18,973 | -97 |
| Production workers..... | 13,639.0 | 14,005.0 | 13,723.0 | 13,315.0 | -366.0 | 324.0 | 13,802 | 13,884 | 13,852 | -82 |
| Durable goods..... | 10,722.0 | 10,962.0 | 10,811.0 | 10,487.0 | -240.0 | 235.0 | 10,834 | 10,862 | 10,857 | -28 |
| Production workers..... | 7,750.0 | 7,987.0 | 7,852.0 | 7,512.0 | -237.0 | 238.0 | 7,872 | 7,897 | 7,886 | -25 |
| Ordnance and accessories..... | 192.7 | 189.5 | 185.5 | 189.9 | 3.2 | 2.8 | 193 | 190 | 187 | 3 |
| Lumber and wood products..... | 627.9 | 628.8 | 604.5 | 596.4 | -9 | 31.5 | 610 | 608 | 608 | 2 |
| Furniture and fixtures..... | 481.2 | 491.4 | 482.7 | 452.1 | -10.2 | 29.1 | 491 | 490 | 489 | 1 |
| Stone, clay, and glass products.. | 667.2 | 670.5 | 652.6 | 638.6 | -3.3 | 28.6 | 653 | 657 | 655 | -4 |
| Primary metal industries..... | 1,222.8 | 1,240.8 | 1,232.0 | 1,238.9 | -18.0 | -16.1 | 1,209 | 1,218 | 1,226 | -9 |
| Fabricated metal products..... | 1,366.6 | 1,386.9 | 1,365.5 | 1,319.4 | -20.3 | 47.2 | 1,383 | 1,376 | 1,377 | 7 |
| Machinery, except electrical..... | 1,835.2 | 1,849.2 | 1,827.8 | 1,772.4 | -14.6 | 62.8 | 1,833 | 1,833 | 1,826 | 0 |
| Electrical equipment..... | 1,809.8 | 1,848.0 | 1,822.1 | 1,758.7 | -38.2 | 51.1 | 1,824 | 1,850 | 1,841 | -26 |
| Transportation equipment..... | 1,652.0 | 1,775.5 | 1,774.1 | 1,688.7 | -123.5 | -36.7 | 1,762 | 1,763 | 1,778 | -1 |
| Instruments and related products..... | 450.2 | 452.8 | 444.9 | 430.2 | -2.6 | 20.0 | 451 | 451 | 447 | 0 |
| Miscellaneous manufacturing... | 416.6 | 428.8 | 418.8 | 432.1 | -12.2 | 14.5 | 425 | 426 | 423 | -1 |

| | | | | | | | | | | |
|--|----------|----------|----------|----------|--------|---------|--------|--------|--------|-----|
| Nondurable goods..... | 8,044.0 | 8,175.0 | 8,013.0 | 7,961.0 | -131.0 | 83.0 | 8,064 | 8,133 | 8,116 | -69 |
| Production workers..... | 5,889.0 | 6,018.0 | 5,871.0 | 5,803.0 | -129.0 | 86.0 | 5,930 | 5,987 | 5,966 | -57 |
| Food and kindred products..... | 1,792.6 | 1,758.8 | 1,685.7 | 1,797.0 | 33.8 | -4.4 | 1,757 | 1,761 | 1,750 | -4 |
| Tobacco manufactures..... | 66.9 | 65.2 | 64.8 | 61.9 | 1.7 | 5.0 | 75 | 74 | 74 | 1 |
| Textile mill products..... | 978.7 | 1,007.5 | 989.8 | 948.6 | -28.8 | 30.1 | 989 | 995 | 995 | -6 |
| Apparel and other textile products..... | 1,285.4 | 1,374.5 | 1,361.3 | 1,304.1 | -89.1 | -18.7 | 1,329 | 1,560 | 1,364 | -31 |
| Paper and allied products..... | 700.6 | 710.7 | 695.7 | 677.7 | -10.1 | 22.9 | 699 | 702 | 702 | -3 |
| Printing and publishing..... | 1,087.2 | 1,096.6 | 1,091.3 | 1,082.2 | -9.4 | 5.0 | 1,088 | 1,096 | 1,097 | -8 |
| Chemicals and allied products..... | 1,011.4 | 1,013.8 | 1,003.1 | 1,018.2 | -2.4 | -6.8 | 1,001 | 1,007 | 1,006 | -6 |
| Petroleum and coal products..... | 194.0 | 193.0 | 189.4 | 193.7 | 1.0 | .3 | 188 | 189 | 190 | -1 |
| Rubber and plastics products, n.e.c..... | 623.5 | 634.8 | 618.6 | 577.4 | -11.3 | 46.1 | 631 | 633 | 623 | -2 |
| Leather and leather products..... | 303.9 | 319.8 | 312.9 | 300.0 | -15.9 | 3.9 | 307 | 316 | 315 | -9 |
| Service-producing..... | 49,635.0 | 50,211.0 | 49,861.0 | 47,911.0 | -576.0 | 1,724.0 | 49,917 | 49,812 | 49,727 | 105 |
| Transportation and public utilities..... | 4,579.0 | 4,582.0 | 4,521.0 | 4,534.0 | -3.0 | 45.0 | 4,520 | 4,532 | 4,539 | -12 |
| Wholesale and retail trade..... | 15,703.0 | 15,788.0 | 15,592.0 | 15,132.0 | -85.0 | 571.0 | 15,730 | 15,729 | 15,671 | 1 |
| Wholesale trade..... | 4,011.0 | 4,001.0 | 3,926.0 | 3,877.0 | 10.0 | 134.0 | 3,967 | 3,977 | 3,970 | -10 |
| Retail trade..... | 11,692.0 | 11,787.0 | 11,666.0 | 11,255.0 | -95.0 | 437.0 | 11,763 | 11,752 | 11,701 | 11 |
| Finance, insurance, and real estate..... | 3,986.0 | 3,965.0 | 3,913.0 | 3,867.0 | 21.0 | 119.0 | 3,923 | 3,934 | 3,921 | -11 |
| Services..... | 12,573.0 | 12,519.0 | 12,401.0 | 12,040.0 | 54.0 | 533.0 | 12,449 | 12,358 | 12,303 | 91 |
| Government..... | 12,794.0 | 13,357.0 | 13,434.0 | 12,338.0 | -563.0 | 456.0 | 13,295 | 13,259 | 13,293 | 36 |
| Federal..... | 2,650.0 | 2,659.0 | 2,662.0 | 2,688.0 | -9.0 | -38.0 | 2,606 | 2,625 | 2,670 | -19 |
| State and local..... | 10,144.0 | 10,698.0 | 10,772.0 | 9,650.0 | -554.0 | 494.0 | 10,689 | 10,634 | 10,623 | 55 |

1 Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Change from | | | | | Seasonally adjusted | | | | |
|--|------------------------|------------------------|----------|-----------|-----------|---------------------|------------------------|------------------------|----------|-----------------------|
| | July 1972 ² | June 1972 ² | May 1972 | July 1971 | June 1972 | July 1971 | July 1972 ² | June 1972 ² | May 1972 | Change from June 1972 |
| Total private..... | 37.7 | 37.5 | 36.9 | 37.3 | 0.2 | 0.4 | 37.3 | 37.3 | 37.0 | 0 |
| Mining..... | 42.7 | 43.1 | 42.4 | 42.6 | -.4 | .1 | 42.3 | 42.8 | 42.4 | -.5 |
| Contract construction..... | 38.3 | 37.7 | 36.8 | 38.1 | .6 | .2 | 37.3 | 66.9 | 36.6 | .4 |
| Manufacturing..... | 40.5 | 40.9 | 40.5 | 39.8 | -.4 | .7 | 40.7 | 40.7 | 40.5 | 0 |
| Overtime hours..... | 3.4 | 3.5 | 3.3 | 2.9 | -.1 | .5 | 3.5 | 3.4 | 3.4 | .1 |
| Durable goods..... | 41.0 | 41.6 | 41.2 | 40.1 | -.6 | .9 | 41.3 | 41.4 | 41.2 | -.1 |
| Overtime hours..... | 3.5 | 3.6 | 3.4 | 2.7 | -.1 | .8 | 3.6 | 3.5 | 3.5 | .1 |
| Ordnance and accessories..... | 42.1 | 42.4 | 42.0 | 41.3 | -.3 | .8 | 42.7 | 42.2 | 42.0 | .5 |
| Lumber and wood products..... | 41.0 | 41.7 | 41.3 | 40.4 | -.7 | .6 | 41.1 | 41.2 | 40.9 | -.1 |
| Furniture and fixtures..... | 40.4 | 41.1 | 40.2 | 39.7 | -.7 | .7 | 40.8 | 40.9 | 40.6 | -.1 |
| Stone, clay, and glass products..... | 42.5 | 42.5 | 42.0 | 41.0 | 0 | .5 | 42.3 | 42.2 | 41.8 | .1 |
| Primary metal industries..... | 41.5 | 41.8 | 41.5 | 40.7 | -.3 | .8 | 41.4 | 41.5 | 41.4 | -.1 |
| Fabricated metal products..... | 41.1 | 41.5 | 41.1 | 40.3 | -.4 | .8 | 41.5 | 41.2 | 41.1 | .3 |
| Machinery, except electrical..... | 41.7 | 42.2 | 41.7 | 40.3 | -.5 | 1.4 | 42.2 | 42.2 | 41.7 | 0 |
| Electrical equipment..... | 40.0 | 40.7 | 40.3 | 39.6 | -.7 | .4 | 40.5 | 40.5 | 40.4 | 0 |
| Transportation equipment..... | 40.8 | 42.1 | 42.1 | 39.4 | -1.3 | 1.4 | 40.9 | 42.0 | 42.0 | -1.1 |
| Instruments and related products..... | 40.1 | 40.8 | 40.5 | 39.5 | -.7 | .6 | 40.4 | 40.7 | 40.7 | -.3 |
| Miscellaneous manufacturing..... | 38.6 | 39.6 | 39.2 | 38.6 | -1.0 | 0 | 39.2 | 39.5 | 39.3 | -.3 |
| Non-durable goods..... | 39.9 | 39.9 | 39.5 | 39.4 | 0 | .5 | 39.8 | 39.8 | 39.7 | 0 |
| Overtime hours..... | 3.3 | 3.4 | 3.1 | 3.0 | -.1 | .3 | 3.3 | 3.4 | 3.2 | -.1 |
| Food and kindred products..... | 41.1 | 40.7 | 40.2 | 40.6 | .4 | .5 | 40.7 | 40.6 | 40.4 | .1 |
| Tobacco manufactures..... | 33.7 | 34.8 | 33.5 | 39.3 | -1.1 | -5.6 | 34.0 | 34.3 | 33.9 | -.3 |
| Textile mill products..... | 41.1 | 41.7 | 41.1 | 40.1 | -.6 | 1.0 | 41.3 | 41.5 | 41.3 | -.2 |
| Apparel and other textile products..... | 36.2 | 36.0 | 35.6 | 35.8 | .2 | .4 | 36.2 | 35.9 | 35.6 | .3 |
| Paper and allied products..... | 42.8 | 42.9 | 42.5 | 42.4 | -.1 | .4 | 42.8 | 42.9 | 42.6 | -.1 |
| Printing and publishing..... | 38.2 | 38.0 | 37.6 | 37.6 | .2 | .6 | 38.2 | 38.0 | 37.7 | .2 |
| Chemicals and allied products..... | 41.9 | 42.0 | 41.6 | 41.3 | -.1 | .6 | 42.0 | 42.0 | 41.6 | 0 |
| Petroleum and coal products..... | 42.5 | 42.5 | 42.3 | 43.0 | 0 | -.5 | 42.1 | 42.2 | 41.6 | -.1 |
| Rubber and plastics products, n.e.c..... | 40.7 | 41.5 | 41.1 | 40.1 | -.8 | .6 | 40.9 | 41.5 | 41.2 | -.6 |
| Leather and leather products..... | 38.1 | 39.1 | 38.7 | 38.2 | -1.0 | -.1 | 37.6 | 38.5 | 38.7 | -.9 |
| Transportation and public utilities..... | 40.9 | 40.6 | 40.3 | 38.4 | .3 | 2.5 | 40.5 | 40.5 | 40.5 | 0 |
| Wholesale and retail trade..... | 36.2 | 35.6 | 34.8 | 36.1 | .6 | .1 | 35.4 | 35.4 | 35.1 | 0 |
| Wholesale trade..... | 40.1 | 40.0 | 39.8 | 39.9 | .1 | .2 | 39.8 | 39.9 | 40.0 | -.1 |
| Retail trade..... | 34.9 | 34.2 | 33.3 | 34.8 | .7 | .1 | 33.9 | 33.9 | 33.7 | 0 |
| Finance, insurance, and real estate..... | 37.5 | 37.2 | 37.0 | 37.1 | .3 | .4 | 37.5 | 37.2 | 37.1 | .3 |
| Services..... | 35.0 | 34.3 | 33.8 | 34.8 | .7 | .2 | 34.6 | 34.2 | 34.0 | .4 |

¹ Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade, finance, insurance, and real estate; and services. These groups account for approximately ¾ of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|---|-------------------------|------------------------|----------|-----------|-------------|-----------|-------------------------|------------------------|----------|-----------|-------------|-----------|
| | July 1972 ² | June 1972 ² | May 1972 | July 1971 | Change from | | July 1972 ² | June 1972 ² | May 1972 | July 1971 | Change from | |
| | | | | | June 1972 | July 1971 | | | | | June 1972 | July 1971 |
| Total private..... | \$3.62 | \$3.61 | \$3.61 | \$3.43 | \$0.01 | \$0.19 | \$136.47 | \$135.38 | \$133.21 | \$127.94 | \$1.09 | \$8.53 |
| Seasonally adjusted..... | 3.62 | 3.61 | 3.61 | 3.43 | .01 | .19 | 135.03 | 134.65 | 133.57 | 126.57 | .38 | 8.46 |
| Mining..... | 4.35 | 4.33 | 4.32 | 4.05 | .02 | .30 | 185.75 | 186.62 | 183.17 | 172.53 | -.87 | 13.22 |
| Contract construction..... | 5.96 | 5.96 | 6.03 | 5.68 | 0 | .28 | 228.27 | 224.69 | 221.90 | 216.41 | 3.58 | 11.86 |
| Manufacturing..... | 3.79 | 3.79 | 3.79 | 3.57 | 0 | .22 | 153.50 | 155.01 | 153.50 | 142.09 | -1.51 | 11.41 |
| Durable goods..... | 4.02 | 4.04 | 4.03 | 3.79 | -.02 | .23 | 164.82 | 168.06 | 166.04 | 151.98 | -3.24 | 12.84 |
| Ordnance and accessories..... | 4.11 | 4.09 | 4.07 | 3.89 | -.02 | .22 | 173.03 | 173.42 | 170.94 | 160.66 | -.39 | 12.87 |
| Lumber and wood products..... | 3.31 | 3.31 | 3.29 | 3.19 | 0 | .12 | 135.71 | 138.03 | 135.88 | 128.88 | -2.32 | 6.83 |
| Furniture and fixtures..... | 3.06 | 3.05 | 3.03 | 2.91 | .01 | .15 | 123.62 | 125.36 | 121.81 | 115.53 | -1.74 | 8.09 |
| Stone, clay, and glass products.. | 3.91 | 3.89 | 3.87 | 3.70 | .02 | .21 | 166.18 | 165.33 | 162.54 | 155.40 | -.85 | 10.78 |
| Primary metal industries..... | 4.65 | 4.64 | 4.62 | 4.19 | .01 | .46 | 192.98 | 193.95 | 191.73 | 170.53 | -.97 | 22.45 |
| Fabricated metal products..... | 3.97 | 3.98 | 3.96 | 3.74 | -.01 | .23 | 163.17 | 165.17 | 162.76 | 150.72 | -2.00 | 12.45 |
| Machinery, except electrical.... | 4.24 | 4.26 | 4.24 | 4.00 | -.02 | .24 | 176.81 | 179.77 | 176.81 | 161.20 | -2.96 | 15.61 |
| Electrical equipment..... | 3.69 | 3.67 | 3.66 | 3.51 | .02 | .18 | 147.60 | 149.37 | 147.50 | 139.00 | -1.77 | 8.60 |
| Transportation equipment..... | 4.68 | 4.73 | 4.74 | 4.39 | -.05 | .29 | 190.94 | 199.13 | 199.55 | 172.97 | -8.19 | 17.97 |
| Instruments and related products..... | 3.72 | 3.71 | 3.72 | 3.55 | .01 | .17 | 149.17 | 151.37 | 150.66 | 140.23 | -2.20 | 8.94 |
| Miscellaneous manufacturing..... | 3.08 | 3.08 | 3.09 | 2.94 | 0 | .14 | 118.89 | 121.97 | 121.13 | 113.48 | -3.08 | 5.41 |
| Nondurable goods..... | 3.48 | 3.45 | 3.44 | 3.29 | .03 | .19 | 138.85 | 137.66 | 135.88 | 129.63 | 1.19 | 9.22 |
| Food and kindred products..... | 3.59 | 3.59 | 3.60 | 3.39 | 0 | .20 | 147.55 | 146.11 | 144.72 | 137.63 | 1.44 | 9.92 |
| Tobacco manufactures..... | 3.45 | 3.52 | 3.47 | 3.33 | -.07 | .12 | 116.27 | 122.50 | 116.25 | 130.87 | -6.23 | -14.60 |
| Textile mill products..... | 2.72 | 2.72 | 2.71 | 2.56 | 0 | .16 | 111.79 | 113.42 | 111.38 | 102.66 | -1.63 | 9.13 |
| Apparel and other textile products..... | 2.59 | 2.59 | 2.57 | 2.47 | 0 | .12 | 93.76 | 93.24 | 91.49 | 88.43 | .52 | 5.33 |
| Paper and allied products..... | 3.96 | 3.92 | 3.88 | 3.71 | .04 | .25 | 169.49 | 168.17 | 164.90 | 157.30 | 1.32 | 12.19 |
| Printing and publishing..... | 4.49 | 4.46 | 4.46 | 4.21 | .03 | .28 | 171.52 | 169.48 | 167.70 | 158.30 | 2.04 | 13.22 |
| Chemicals and allied products.... | 4.23 | 4.20 | 4.16 | 3.99 | .03 | .24 | 177.24 | 176.40 | 173.06 | 164.79 | -.84 | 12.45 |
| Petroleum and coal products.... | 4.97 | 4.94 | 4.96 | 4.60 | .03 | .37 | 211.23 | 209.95 | 209.81 | 197.80 | 1.28 | 13.43 |
| Rubber and plastics products, not elsewhere classified..... | 3.63 | 3.58 | 3.56 | 3.44 | .05 | .19 | 147.74 | 148.57 | 146.32 | 137.94 | -.83 | 9.80 |
| Leather and leather products.... | 2.70 | 2.70 | 2.71 | 2.58 | 0 | .12 | 102.87 | 105.57 | 104.88 | 98.56 | -2.70 | 4.31 |
| Transportation and public utilities..... | 4.65 | 4.60 | 4.58 | 4.23 | .05 | .42 | 190.19 | 186.76 | 184.57 | 162.43 | 3.43 | 27.76 |
| Wholesale and retail trade..... | 3.01 | 3.00 | 3.00 | 2.87 | .01 | .14 | 108.96 | 106.80 | 104.40 | 103.61 | 2.16 | 5.35 |
| Wholesale trade..... | 3.87 | 3.85 | 3.84 | 3.67 | .02 | .20 | 155.19 | 154.00 | 152.83 | 146.43 | 1.19 | 8.76 |
| Retail trade..... | 2.70 | 2.69 | 2.68 | 2.58 | .01 | .12 | 94.23 | 92.00 | 89.24 | 89.78 | 2.23 | 4.45 |
| Finance, insurance, and real estate..... | 3.44 | 3.42 | 3.43 | 3.29 | .02 | .15 | 129.00 | 127.22 | 126.91 | 122.06 | 1.78 | 6.94 |
| Services..... | 3.12 | 3.11 | 3.12 | 2.98 | .01 | .14 | 109.20 | 106.67 | 105.46 | 103.70 | 2.53 | 5.50 |

¹ Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately 4/5 of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED

[1967=100]

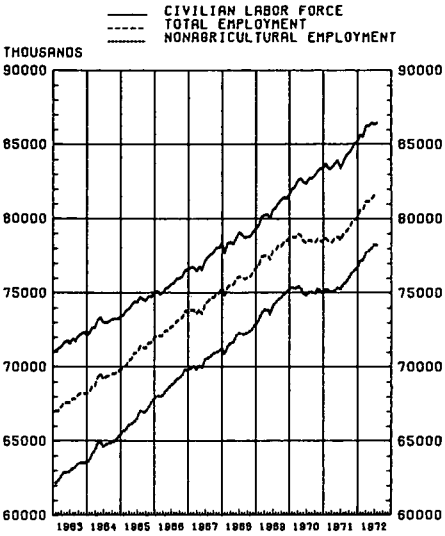
| Industry | July 1972 ¹ | June 1972 ¹ | May 1972 | April 1972 | March 1972 | February 1972 | July 1971 | Percent change over month and year | |
|---|---------------------------|---------------------------|-------------|---------------|---------------|------------------|--------------|---------------------------------------|-------------------------------|
| | | | | | | | | June 1972- July 1972 | July 1971- July 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 137.5 | 136.9 | 136.8 | 136.6 | 135.5 | 134.7 | 130.0 | 0.4 | 5.8 |
| Constant (1967) dollars..... | (²) | 109.7 | 109.7 | 109.9 | 109.2 | 108.6 | 106.9 | (³) | (⁴) |
| Mining..... | 137.4 | 136.1 | 135.0 | 135.5 | 134.6 | 134.0 | 126.8 | .9 | 8.4 |
| Contract construction..... | 145.3 | 146.0 | 146.4 | 145.9 | 145.0 | 144.2 | 138.8 | -.4 | 4.7 |
| Manufacturing..... | 135.7 | 135.1 | 134.8 | 134.0 | 133.4 | 132.8 | 128.2 | .5 | 5.9 |
| Transportation and public utilities..... | 143.9 | 142.3 | 142.1 | 141.8 | 140.0 | 138.1 | 129.5 | 1.1 | 11.1 |
| Wholesale and retail trade..... | 135.3 | 134.4 | 133.8 | 134.1 | 133.0 | 132.3 | 128.9 | .7 | 5.0 |
| Finance insurance, and real estate..... | 133.3 | 132.8 | 132.5 | 133.5 | 131.0 | 130.0 | 127.3 | .4 | 4.7 |
| Services..... | 135.1 | 135.9 | 136.3 | 136.7 | 135.4 | 134.8 | 129.9 | -.5 | 4.0 |

¹ Preliminary.² Indicates change was 2.9 from June 1971 to June 1972, the latest month available.³ Percent change was 0.1 from May 1972 to June 1972, the latest month available.⁴ Percent change was 2.9 from June 1971 to June 1972, the latest month available.

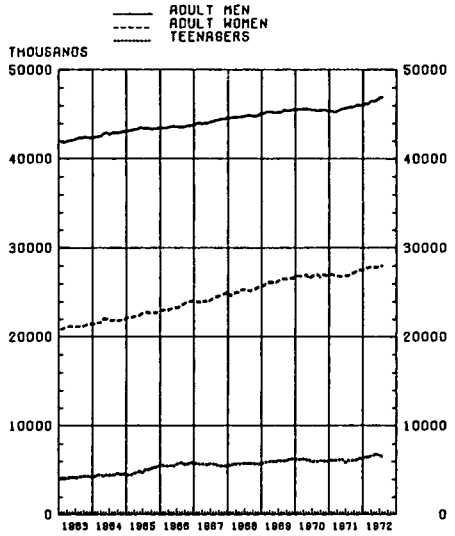
Note: All series are in current dollars except where indicated. The index excludes effects of 2 types of changes that are unrelated to underlying wage-rate developments: fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

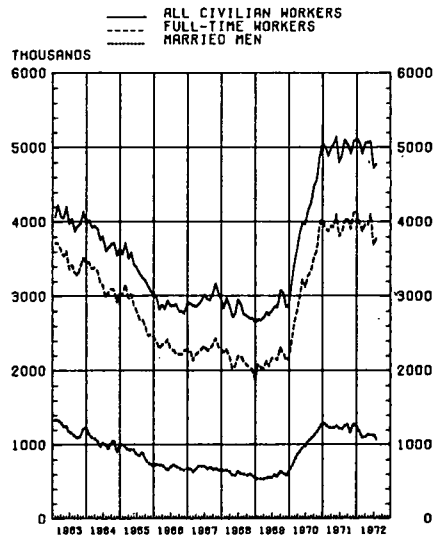
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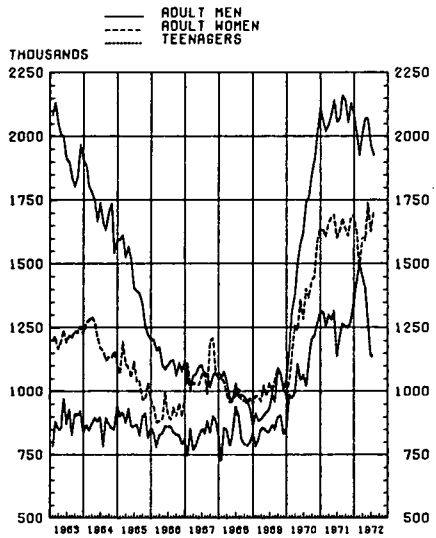
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

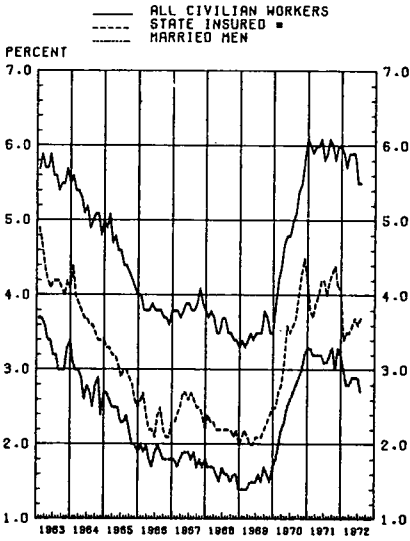


4. UNEMPLOYMENT

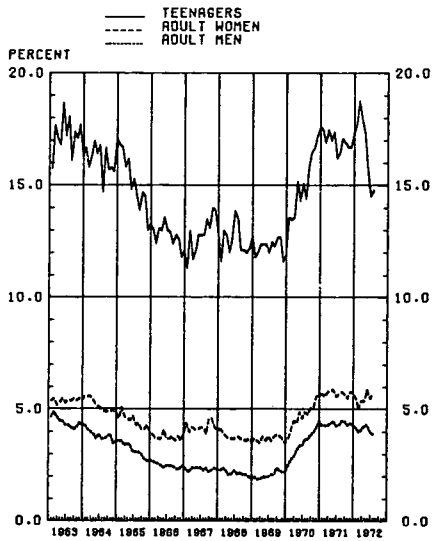


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

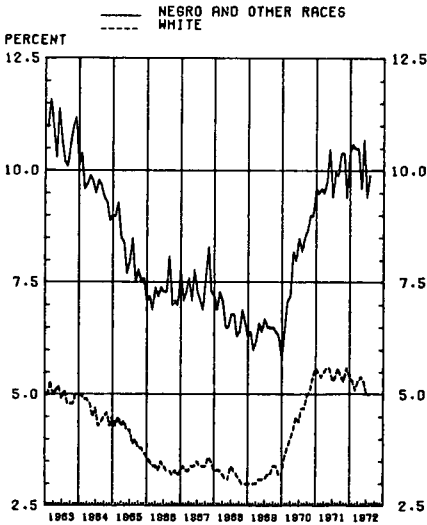
5. UNEMPLOYMENT RATES



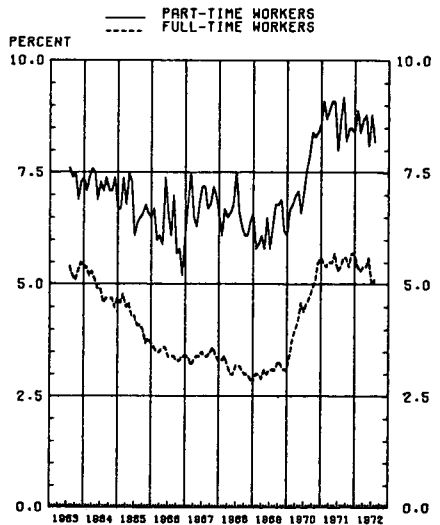
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



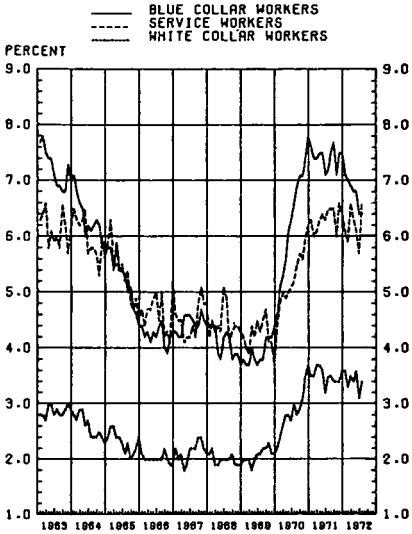
8. UNEMPLOYMENT RATES



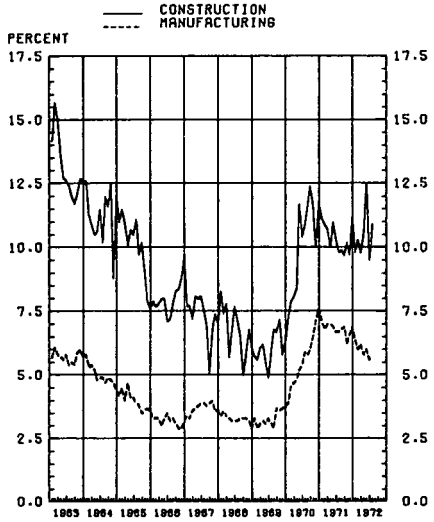
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

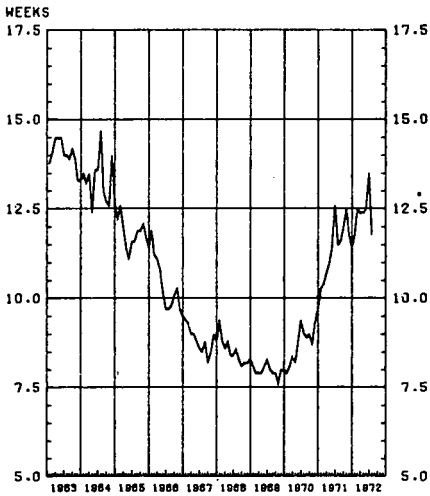
9. UNEMPLOYMENT RATES



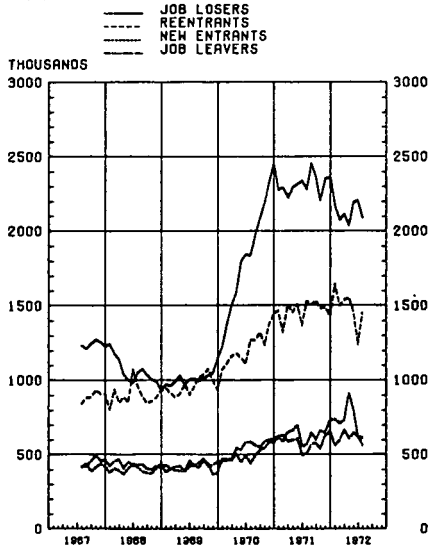
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT



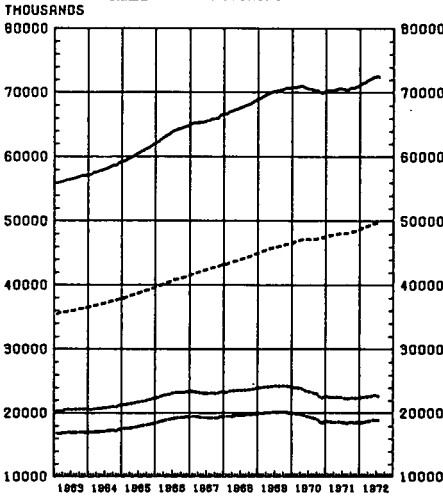
12. UNEMPLOYMENT BY REASON



NONAGRICULTURAL EMPLOYMENT AND HOURS ESTABLISHMENT DATA - SEASONALLY ADJUSTED

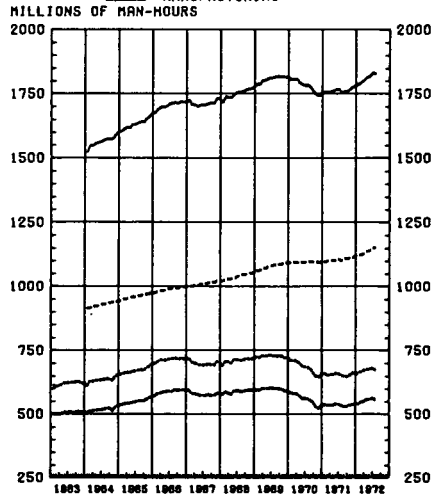
13. EMPLOYMENT

——— TOTAL NONAGRICULTURAL
 - - - - SERVICE-PRODUCING
 ——— GOODS-PRODUCING
 ——— MANUFACTURING



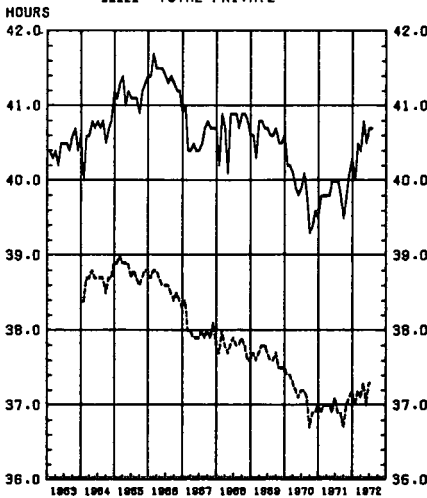
14. MAN-HOURS

——— TOTAL PRIVATE NONAGRICULTURAL
 - - - - PRIVATE SERVICE-PRODUCING
 ——— GOODS-PRODUCING
 ——— MANUFACTURING

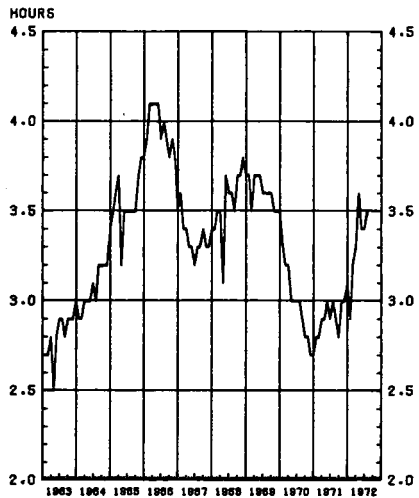


15. AVERAGE WEEKLY HOURS

——— MANUFACTURING
 - - - - TOTAL PRIVATE



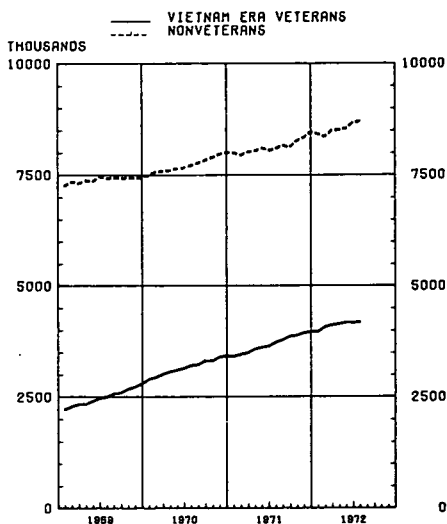
16. AVERAGE WEEKLY OVERTIME HOUR
IN MANUFACTURING



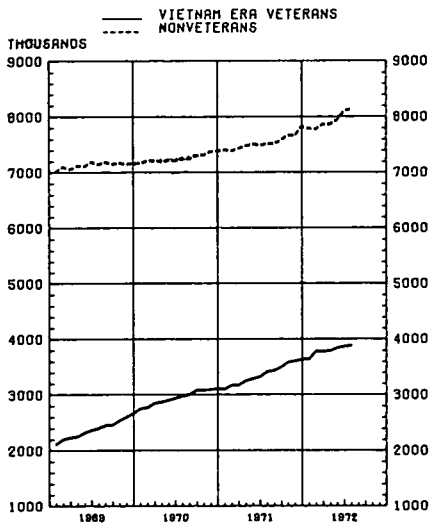
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS, 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

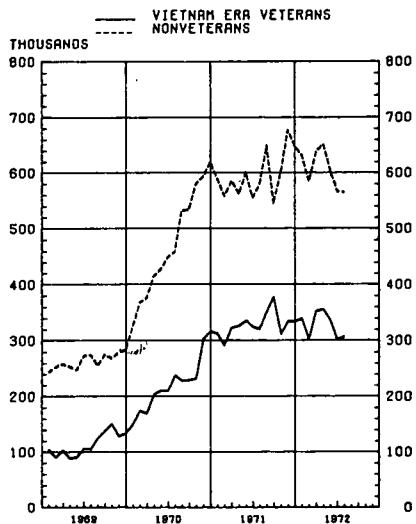
17. CIVILIAN LABOR FORCE



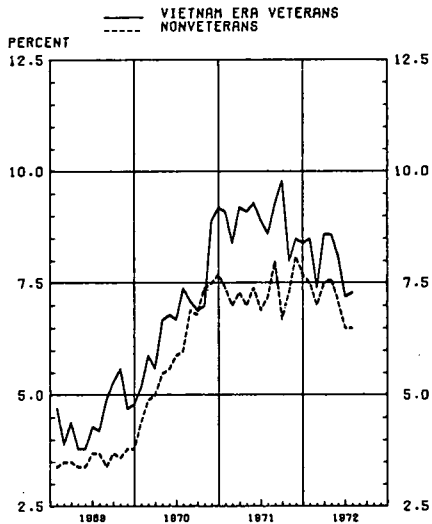
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-534,
Aug. 4, 1972]

WHOLESALE PRICE INDEX: JULY 1972

The Wholesale Price Index of All Commodities rose 0.8 percent between June and July, the U.S. Department of Labor's Bureau of Labor Statistics announced today.

Industrial commodities increased 0.2 percent.

Prices of farm products and processed foods and feeds advanced 2.2 percent.

Consumer finished goods, a selection of commodities closely comparable to those in the commodity component of the Consumer Price Index, were up 1.0 percent, primarily reflecting the rise in food prices.

Of the 15 major commodity groups measured by the Wholesale Price Index, 12 advanced between June and July and 3 declined. In July, the All Commodities WPI was 119.6 (1967=100), 4.5 percent above a year earlier.

SEASONALLY ADJUSTED CHANGES

On a seasonally adjusted basis, the All Commodities Wholesale Price Index rose 0.7 percent in July.

Industrial commodities were up 0.2 percent.

Farm products and processed foods and feeds advanced 1.8 percent.

Consumer finished goods were 0.8 percent higher.

In the 6-month period ending in July, the All Commodities WPI rose at a seasonally adjusted annual rate of 5.2 percent; prices in the last 3 months of the period rose almost twice as fast as in the first 3 months. This acceleration was due entirely to sizable increases in prices of farm products and processed foods and feeds in May and June and the particularly steep rise in July. During the 6 months ending in July the index for these products advanced at a seasonally adjusted annual rate of 8.0 percent. The industrial commodities index rose at a rate of 3.7 percent for the 6 months ending with July. Reflecting the faster pace of Within this 6-month period the rate of increase decelerated slightly from 4.5 percent in the 3 months ending in April to 4.1 percent in the 3 months ending in July. The consumer finished goods index rose at a seasonally adjusted annual rate of 3.7 percent for the 6 months ending with July. Reflecting the faster pace of agriculture-based products, the index increased more in the last 3 months of the period than in the first 3 months. (For changes over 3-, 6-, and 12-month spans, see Table 2.)

Comparative rates of change in the WPI before and during the Economic Stabilization Program that began last August are as follows:

| | 8 months prior to phase I, December 1970 to August 1971 | 3 months phase I, August 1971 to July 1972 | 8 months phase II, November 1971 to July 1972 | 11 months phases I and II, August 1971 to July 1972 |
|---|--|--|---|--|
| All commodities..... | 5.2 | -0.2 | 5.7 | 4.0 |
| Industrial commodities..... | 4.7 | -0.5 | 4.1 | 2.8 |
| Farm products, processed foods and feeds..... | 6.5 | 1.1 | 9.5 | 7.2 |
| Consumer finished goods..... | 4.1 | -1.1 | 4.5 | 3.0 |
| Foods..... | 6.8 | .3 | 6.8 | 5.0 |
| Finished goods, excluding foods..... | 2.2 | - .4 | 3.0 | 2.1 |

Among consumer finished goods, foods advanced 1.3 percent in July (seasonally adjusted) chiefly reflecting higher prices for fresh fruits and vegetables and processed poultry. Meat prices rose less than seasonally. Consumer nonfood finished goods increased 0.3 percent over the month. Within this grouping, non-durable finished goods were up 0.3 percent due to higher prices for products such

as gasoline, apparel and footwear. Durables rose 0.4 percent as a result of increases for items including furniture, metal containers, and jewelry.

Producer finished goods edged up only 0.1 percent, chiefly reflecting the slower rate of advance for machinery and equipment. Continued advances for lumber, as well as significant increases for electric power, textiles, and concrete products, explained most of the 0.2 percent gain for processed (intermediate) materials, supplies and components (excluding foods and feeds). The index for crude materials for further processing (excluding foods, feeds and fibers) rose 1.0 percent, largely because of increases for hides and skins, natural gas, and iron and steel scrap.

PRICE CHANGES FOR COMMODITY GROUPS, NOT SEASONALLY ADJUSTED

Lumber and wood products led the rise in industrial commodities in July. This group registered the largest percentage advance and also had the greatest overall effect on the industrials index; the most important increase was for softwood lumber but almost all other products showed gains. Gasoline prices rose further; this, together with higher electric power rates and increases for natural gas pushed up the fuels index. Price advances for apparel (particularly women's, misses' and juniors') accelerated in July; textile products (cotton, wool, and man-made) continued to advance, but jute woven goods declined. Machinery and equipment extended its upward trend at the most moderate rate since late in 1971. The rise for pulp, paper and allied products also slackened; increases centered chiefly in paper and converted paper and paperboard products. Strong construction activity continued to give support to increases for nonmetallic minerals; concrete products, flat glass, and gypsum products were chiefly affected; insulation materials were lower. Furniture, appliances, floor coverings, and other household durable goods were higher; television receivers declined in price. Hides and skins quotations moved up again and footwear was higher; however, leather and other products decreased. Prices of tires and tubes and miscellaneous rubber products were raised, and crude natural rubber was up moderately. Higher jewelry prices reflected recent increases in the cost of gold. The metals and metal products index declined for the first time since December of last year; decreases for copper and copper-based products and for some miscellaneous fabricated metal products were the cause. Price reductions for cosmetic preparations, inedible fats and oils and fertilizer materials brought the chemicals index down moderately.

Most farm products were higher in July. Livestock prices (particularly for hogs) accounted for a large part of the 3.2 percent advance in the group index. Other important increases included live poultry, fresh fruits, eggs, fresh and dried vegetables, green coffee and grains; raw cotton declined for the second month in a row. The processed foods and feeds index rose 1.6 percent, in response chiefly to higher prices for meats, poultry and fish and to a lesser extent to increases for manufactured animal feeds and dairy products.

A NOTE ON SEASONALLY ADJUSTED AND UNADJUSTED DATA

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred since they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and supply cycles, model changeovers, seasonal discounts and holidays. Seasonally adjusted data are subject to revision when seasonal factors are revised.

The unadjusted data are of principal interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

TABLE 1.—WHOLESALE PRICE INDEXES FOR MAJOR COMMODITY GROUPS AND SPECIAL GROUPINGS, JULY 1972

| Groups | Relative importance ¹ December 1971 | Unadjusted indexes (1967=100 unless otherwise noted) | | Unadjusted percent change to July 1972 from— | | Seasonally adjusted percent change between— | | |
|--|---|--|-----------|--|-----------|--|------------------|-------------------|
| | | July 1972 | June 1972 | June 1972 | July 1971 | June to July 1972 | May to June 1972 | April to May 1972 |
| All commodities..... | 100,000 | 119.7 | 118.8 | 0.8 | 4.5 | 0.7 | 0.5 | 0.5 |
| All commodities (1957-59=100)..... | | 127.0 | 126.0 | | | | | |
| COMMODITY GROUPS | | | | | | | | |
| Farm products, and processed foods and feeds..... | 26,838 | 124.0 | 121.3 | 2.2 | 7.8 | 1.8 | .5 | .8 |
| Farm products..... | 10,432 | 128.0 | 124.0 | 3.2 | 12.9 | 3.3 | 1.0 | 1.3 |
| Processed foods and feeds..... | 16,405 | 121.5 | 119.6 | 1.6 | 4.7 | .7 | .3 | .3 |
| Industrial commodities..... | 73,162 | 118.1 | 117.9 | .2 | 3.1 | .2 | .4 | .4 |
| Textile products and apparel..... | 6,849 | 114.0 | 113.6 | .4 | 4.4 | .3 | .1 | .7 |
| Hides, skins, leather, and related products..... | 1,254 | 131.6 | 139.0 | .5 | 15.2 | .6 | 1.6 | 2.0 |
| Fuels and related products and power..... | 7,174 | 118.6 | 118.2 | .3 | 3.7 | .7 | .3 | .4 |
| Chemicals and allied products..... | 5,716 | 104.2 | 104.3 | -.1 | -.2 | 0 | 0 | .3 |
| Rubber and plastic products ² | 2,257 | 109.2 | 108.9 | .3 | -.5 | | | |
| Lumber and wood products..... | 2,854 | 146.1 | 144.2 | 1.3 | 11.9 | .6 | 2.6 | 1.7 |
| Pulp, paper and allied products..... | 4,705 | 113.7 | 113.5 | .2 | 2.9 | .2 | .4 | .4 |
| Metals and metal products..... | 13,439 | 123.5 | 123.6 | -.1 | 3.4 | 0 | .2 | .1 |
| Machinery and equipment..... | 12,280 | 118.3 | 118.1 | .2 | 2.2 | .2 | .3 | .3 |
| Furniture and household durables..... | 3,438 | 111.4 | 111.2 | .2 | 1.3 | .2 | .3 | .1 |
| Nonmetallic mineral products..... | 3,296 | 126.2 | 125.8 | .3 | 2.4 | .3 | .2 | .4 |
| Transportation equipment (December 1968=100) ² | 7,416 | 114.1 | 114.2 | -.1 | 3.4 | | | |
| Miscellaneous products ² | 2,486 | 114.9 | 114.2 | .6 | 1.9 | | | |
| SPECIAL GROUPINGS | | | | | | | | |
| Consumer finished goods..... | 33,270 | 117.3 | 116.1 | 1.0 | 3.8 | .8 | .3 | .3 |
| Foods..... | 13,059 | 123.3 | 120.7 | 2.2 | 6.7 | 1.3 | .5 | .5 |
| Finished goods, excluding foods..... | 20,211 | 113.7 | 113.4 | .3 | 2.1 | .3 | .2 | .2 |
| Nondurable..... | 12,383 | 113.8 | 113.5 | .3 | 2.0 | .3 | .1 | .3 |
| Durable..... | 7,828 | 113.5 | 113.2 | .3 | 2.3 | .4 | .2 | 0 |
| Producer finished goods..... | 10,201 | 119.7 | 119.6 | .1 | 2.5 | .1 | .3 | .2 |
| Manufactured goods..... | 83,270 | 118.3 | 117.8 | .4 | 3.3 | .3 | .3 | .4 |
| Durable..... | 43,242 | 121.5 | 121.3 | .2 | 3.4 | .2 | .4 | .4 |
| Intermediate materials supplies and components excluding selected items ³ | 41,355 | 119.2 | 119.0 | .2 | 3.7 | .2 | .6 | .5 |
| Crude materials for further processing, excluding selected items ⁴ | 2,814 | 130.2 | 129.8 | .3 | 6.1 | 1.0 | .5 | 1.2 |

¹ Comprehensive relative importance figures are computed once each year in December.

² Not seasonally adjusted.

³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.

⁴ Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

TABLE 2.—PERCENT CHANGES IN WPI AND COMPONENTS, JULY 1972

| Month | All commodities | | | | | Industrial commodities | | | | |
|-------------------|---------------------|---------------------|------------------------------------|------------------------------------|----------------------------|------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rate from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| July..... | 0.3 | 0.2 | 3.6 | 4.3 | 3.3 | 0.5 | 0.6 | 5.7 | 4.6 | 4.1 |
| August..... | -.3 | -.7 | 5.4 | 4.7 | 4.0 | -.5 | -.5 | 6.0 | 5.4 | 4.4 |
| September..... | -.3 | -.3 | 2.5 | 3.6 | 3.2 | -.1 | -.1 | 4.4 | 4.7 | 4.2 |
| October..... | -.1 | -.1 | 2.3 | 3.0 | 3.1 | 0 | -.2 | 1.3 | 3.4 | 3.3 |
| November..... | -.1 | -.1 | -.2 | 2.6 | 3.2 | -.1 | -.1 | -.5 | 2.7 | 3.2 |
| December..... | .8 | .6 | 3.5 | 3.0 | 4.0 | .3 | .2 | 2.6 | 2.5 | 3.2 |
| January 1972..... | .8 | .5 | 5.1 | 3.7 | 4.0 | .5 | .4 | 2.8 | 2.0 | 3.3 |
| February..... | .9 | .5 | 6.9 | 3.3 | 4.0 | .5 | .4 | 4.0 | 1.7 | 3.6 |
| March..... | .1 | .1 | 4.9 | 4.2 | 3.9 | .3 | .3 | 4.2 | 2.4 | 3.5 |
| April..... | .1 | .3 | 3.8 | 4.5 | 3.7 | .4 | .4 | 4.5 | 3.6 | 3.5 |
| May..... | .6 | .5 | 3.4 | 5.2 | 3.9 | .3 | .4 | 4.3 | 4.1 | 3.4 |
| June..... | .5 | .5 | 4.9 | 4.9 | 3.9 | .3 | .4 | 4.9 | 4.5 | 3.5 |
| July..... | .8 | .7 | 6.6 | 5.2 | 4.5 | .2 | .2 | 4.1 | 4.3 | 3.1 |

| Month | Farm products and processed foods and feeds | | | | | Consumer foods | | | | |
|-------------------|---|---------------------|------------------------------------|------------------------------------|----------------------------|---------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rate from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| July..... | -0.3 | -0.7 | -0.7 | 4.4 | 1.4 | -0.7 | -1.5 | -4.4 | 3.2 | 0.6 |
| August..... | -.3 | 1.2 | 3.6 | 3.0 | 3.1 | -.4 | 2.0 | 2.8 | 4.6 | 3.3 |
| September..... | -1.4 | -1.2 | -2.8 | -.7 | -.4 | -1.0 | -1.8 | -5.1 | -.3 | -.3 |
| October..... | 0 | 1.1 | 4.7 | 1.9 | 2.4 | -.1 | 2.1 | 9.4 | 2.3 | 3.0 |
| November..... | .5 | .3 | 1.1 | 2.3 | 3.4 | .6 | -.2 | 3 | 1.6 | 3.1 |
| December..... | 2.0 | 1.4 | 12.2 | 4.4 | 6.0 | 1.7 | 1.5 | 14.4 | 4.2 | 6.5 |
| January 1972..... | 1.3 | .9 | 10.9 | 7.7 | 6.1 | .8 | .4 | 7.0 | 8.2 | 5.7 |
| February..... | 1.9 | 1.2 | 14.7 | 7.6 | 5.3 | 1.6 | 1.5 | 14.5 | 7.2 | 5.9 |
| March..... | -.4 | -.3 | 7.0 | 9.6 | 5.0 | -1.0 | -1.0 | 3.8 | 8.9 | 4.2 |
| April..... | -.7 | -.1 | 3.1 | 6.9 | 4.4 | -1.2 | -.3 | .7 | 3.8 | 3.1 |
| May..... | 1.4 | .8 | 1.4 | 7.8 | 5.0 | 1.3 | .5 | -3.3 | 5.2 | 3.4 |
| June..... | 1.1 | .5 | 4.8 | 5.9 | 5.1 | 1.0 | .5 | 2.7 | 3.2 | 3.7 |
| July..... | 2.2 | 1.8 | 13.1 | 8.0 | 7.8 | 2.2 | 1.3 | 9.8 | 5.1 | 6.7 |

TABLE 2.—PERCENT CHANGES IN WPI AND COMPONENTS, JULY 1972—Continued

| Month | Consumer finished goods, total | | | | | Consumer goods, excluding foods | | | | |
|-------------------|--------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|---------------------------------|---------------------|------------------------------------|------------------------------------|-------------------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (seasonally adjusted) |
| July..... | -0.1 | -0.4 | 0.4 | 2.2 | 2.4 | 0.4 | 0.4 | 2.9 | 1.5 | 3.6 |
| August..... | .3 | 1.1 | 3.2 | 3.2 | 3.5 | .1 | .2 | 2.2 | 1.6 | 3.5 |
| September..... | -5 | -1.8 | -4 | 1.3 | 2.1 | -2 | 0 | 2.2 | 1.8 | 3.1 |
| October..... | -2 | .4 | 2.9 | 1.6 | 2.5 | .3 | -.2 | 0 | 1.5 | 2.0 |
| November..... | .2 | .1 | -1.1 | 1.1 | 2.4 | 0 | .1 | -.4 | .9 | 1.8 |
| December..... | 1.0 | .9 | 5.8 | 2.7 | 3.3 | .4 | .4 | 1.1 | 1.6 | 1.7 |
| January 1972..... | .4 | .3 | 5.0 | 4.0 | 3.1 | .2 | .3 | 2.9 | 1.4 | 1.4 |
| February..... | .8 | .7 | 7.6 | 3.2 | 3.2 | .2 | .2 | 3.3 | 1.4 | 1.5 |
| March..... | -3 | -3 | 2.8 | 4.3 | 2.8 | .2 | .3 | 2.9 | 2.0 | 1.9 |
| April..... | -3 | 0 | 1.8 | 3.4 | 2.5 | .2 | .3 | 2.9 | 2.9 | 2.2 |
| May..... | .6 | .3 | .3 | 3.9 | 2.5 | .2 | .2 | 2.9 | 3.1 | 2.0 |
| June..... | .5 | .3 | 2.5 | 2.6 | 2.7 | .3 | .2 | 2.5 | 2.7 | 2.2 |
| July..... | 1.0 | .8 | 5.7 | 3.7 | 3.8 | .3 | .3 | 2.5 | 2.7 | 2.1 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, JULY 1972

[1967 equals 100 unless otherwise indicated]

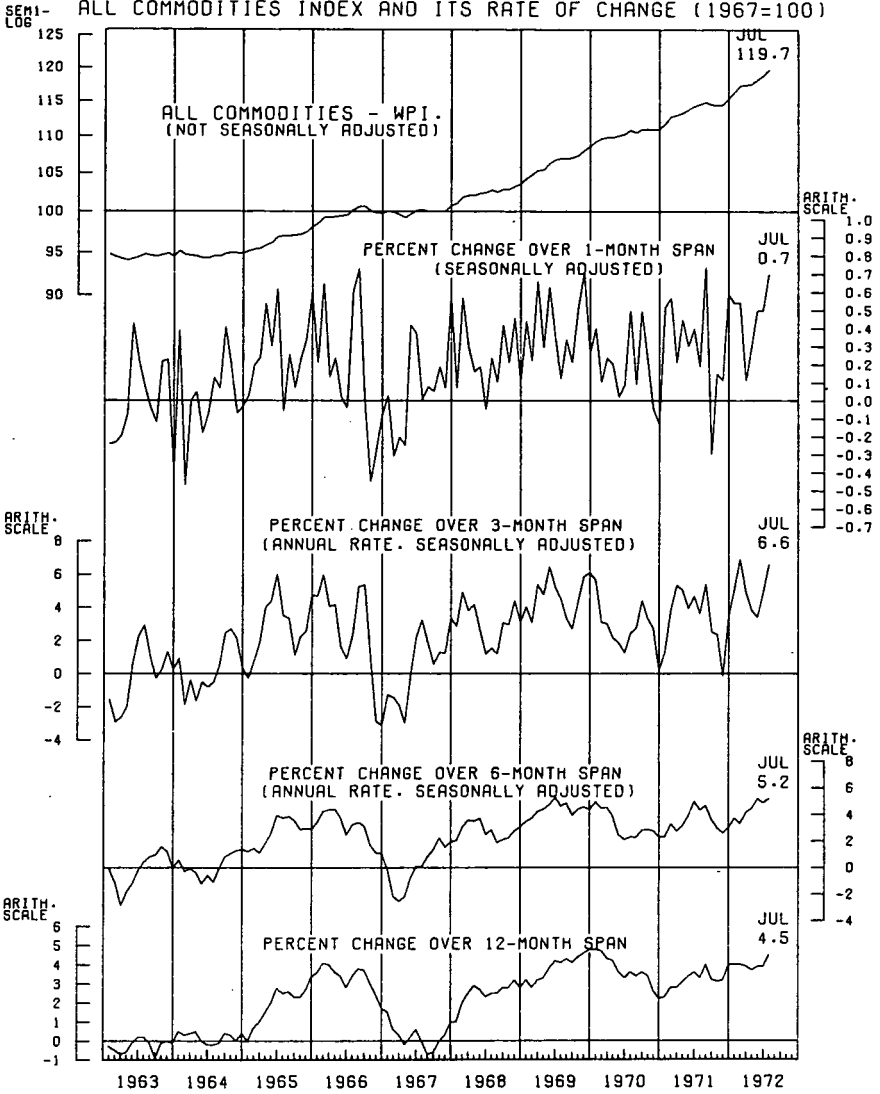
| Grouping | Indexes | | | Percent change to July 1972 from— | |
|--|---------|-------|---------------|--------------------------------------|---------------|
| | 1972 | | 1971, July | 1 month ago | 1 year ago |
| | July | June | | | |
| Farm products..... | 128.0 | 124.0 | 113.4 | 3.2 | 12.9 |
| Fresh and dried fruits and vegetables..... | 129.9 | 121.7 | 109.3 | 6.7 | 18.8 |
| Grains..... | 96.3 | 94.5 | 102.5 | 1.9 | -6.0 |
| Livestock..... | 152.4 | 146.4 | 121.3 | 4.1 | 25.6 |
| Live poultry..... | 118.4 | 102.9 | 121.1 | 15.1 | -2.2 |
| Plant and animal fibers..... | 125.4 | 127.3 | 92.6 | -1.5 | 35.4 |
| Fluid milk..... | 122.0 | 121.7 | 119.5 | .2 | 2.1 |
| Eggs..... | 102.2 | 91.9 | 89.4 | 11.2 | 14.3 |
| Hay, hayseeds, and oilseeds..... | 116.8 | 116.9 | 114.4 | -.1 | 2.1 |
| Other farm products..... | 121.8 | 119.9 | 113.3 | 1.6 | 7.5 |
| Processed foods and feeds..... | 121.5 | 119.6 | 116.0 | 1.6 | 4.7 |
| Cereal and bakery products..... | 113.6 | 113.3 | 111.5 | .3 | 1.9 |
| Meats, poultry, and fish..... | 135.8 | 131.4 | 119.6 | 3.3 | 13.5 |
| Dairy products..... | 117.7 | 115.3 | 116.2 | 2.1 | 1.3 |
| Processed fruits and vegetables..... | 119.6 | 119.5 | 115.9 | .1 | 3.2 |
| Sugar and confectionery..... | 122.2 | 121.3 | 119.4 | .7 | 2.3 |
| Beverages and beverage materials..... | 117.9 | 117.8 | 115.9 | .1 | 1.7 |
| Animal fats and oils..... | 124.1 | 125.8 | 135.7 | -1.4 | -8.5 |
| Crude vegetable oils..... | 106.9 | 112.0 | 136.7 | -4.6 | -21.8 |
| Refined vegetable oils..... | 115.8 | 119.1 | 135.5 | -2.8 | -14.5 |
| Vegetable oil end products..... | 121.4 | 121.5 | 122.8 | -.1 | -1.1 |
| Miscellaneous processed foods..... | 114.4 | 114.4 | 113.8 | 0 | .5 |
| Manufactured animal feeds..... | 110.9 | 107.7 | 106.9 | 3.0 | 3.7 |
| Textile products and apparel..... | 114.0 | 113.6 | 109.2 | .4 | 4.4 |
| Cotton products..... | 123.0 | 122.6 | 111.9 | .3 | 9.9 |
| Wool products..... | 100.0 | 99.2 | 92.6 | .8 | 8.0 |
| Manmade fiber textile products..... | 108.9 | 108.6 | 101.9 | .3 | 6.9 |
| Apparel..... | 115.1 | 114.4 | 113.3 | .6 | 1.6 |
| Textile housefurnishings..... | 109.5 | 109.5 | 104.8 | 0 | 4.5 |
| Miscellaneous textile products..... | 122.6 | 125.8 | 119.9 | -2.5 | 2.3 |
| Hides, skins, leather, and related products..... | 131.6 | 130.9 | 114.2 | .5 | 15.2 |
| Hides and skins..... | 212.5 | 204.1 | 114.0 | 4.1 | 86.4 |
| Leather..... | 138.1 | 138.1 | 114.4 | -.4 | 20.7 |
| Footwear..... | 126.5 | 125.8 | 116.8 | .6 | 8.3 |
| Other leather and related products..... | 116.5 | 116.7 | 108.2 | -.2 | 7.7 |
| Fuels and related products and power..... | 118.6 | 118.2 | 114.4 | .3 | 3.7 |
| Coal..... | 191.2 | 191.2 | 182.9 | 0 | 4.5 |
| Coke..... | 155.3 | 155.3 | 150.5 | 0 | 3.2 |
| Gas fuels..... | 113.2 | 112.9 | 107.7 | .3 | 5.1 |
| Electric power..... | 122.1 | 121.5 | 113.5 | .5 | 7.6 |
| Crude petroleum..... | 113.2 | 113.2 | 113.2 | 0 | 0 |
| Petroleum products, refined..... | 109.1 | 108.5 | 107.2 | .6 | 1.8 |
| Chemicals and allied products..... | 104.2 | 104.3 | 104.4 | .1 | -.2 |
| Industrial chemicals..... | 101.5 | 101.4 | 102.4 | .1 | -.9 |
| Prepared paint..... | 118.3 | 118.3 | 115.9 | 0 | 2.1 |
| Paint materials..... | 104.2 | 103.9 | 99.8 | .3 | 4.4 |
| Drugs and pharmaceuticals..... | 103.2 | 103.1 | 102.6 | .1 | .6 |
| Fats and oils, inedible..... | 113.2 | 115.9 | 130.8 | -2.3 | -13.5 |
| Agricultural chemicals and chemical products..... | 91.9 | 92.3 | 93.4 | -.4 | -1.6 |
| Plastic resins and materials..... | 87.9 | 87.9 | 88.6 | 0 | -.8 |
| Other chemicals and allied products..... | 113.3 | 113.8 | 112.5 | -.4 | .7 |
| Rubber and plastic products..... | 109.2 | 108.9 | 109.7 | .3 | -.5 |
| Rubber and rubber products..... | 113.8 | 113.3 | 113.2 | .4 | .5 |
| Crude rubber..... | 98.8 | 98.6 | 98.8 | .2 | 0 |
| Tires and tubes..... | 109.5 | 108.7 | 111.2 | .7 | -1.5 |
| Miscellaneous rubber products..... | 121.3 | 120.8 | 118.7 | .4 | 2.2 |
| Plastic construction products (December 1969 equals 100)..... | 93.3 | 93.5 | 94.0 | -.2 | -.7 |
| Unsupported plastic film and sheeting (December 1970 equals 100)..... | 98.2 | 98.1 | 100.6 | .1 | -2.4 |
| Laminated plastic sheets, high pressure (December 1970 equals 100)..... | 98.3 | 97.9 | 99.7 | .4 | -1.4 |
| Lumber and wood products..... | 146.1 | 144.2 | 130.6 | 1.3 | 11.9 |
| Lumber..... | 161.6 | 159.0 | 142.5 | 1.6 | 13.4 |
| Millwork..... | 129.6 | 128.4 | 122.8 | .9 | 5.5 |
| Plywood..... | 132.9 | 131.7 | 111.7 | .9 | 19.0 |
| Other wood products..... | 125.6 | 123.4 | 119.0 | 1.8 | 5.5 |
| Pulp, paper, and allied products..... | 113.7 | 113.5 | 110.5 | .2 | 2.9 |
| Pulp, paper, and products, excluding building paper and board..... | 114.0 | 113.8 | 110.8 | .2 | 2.9 |
| Woodpulp..... | 111.5 | 111.5 | 112.4 | 0 | -.8 |
| Waste paper..... | 137.7 | 137.7 | 111.8 | 0 | 23.2 |
| Paper..... | 116.7 | 116.2 | 114.6 | .4 | 1.8 |
| Paperboard..... | 106.0 | 106.0 | 102.8 | 0 | 3.1 |
| Converted paper and paperboard products..... | 113.7 | 113.5 | 110.1 | .2 | 3.3 |
| Building paper and board..... | 106.8 | 106.6 | 103.6 | .2 | 3.1 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, JULY 1972—Continued
 [1967 equals 100 unless otherwise indicated]

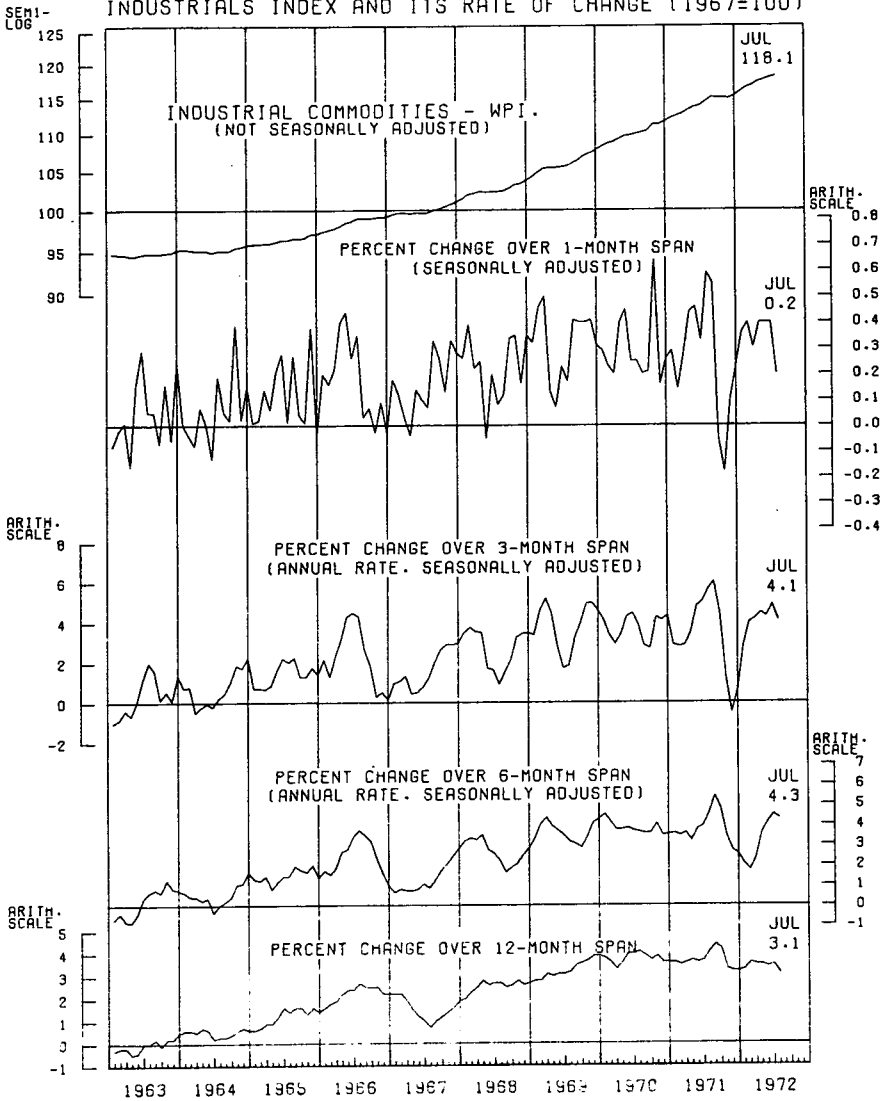
| Grouping | Indexes | | | Percent change to July 1972 from— | |
|--|---------|-------|---------------|-----------------------------------|------------|
| | 1972 | | 1971, July | 1 month ago | 1 year ago |
| | July | June | | | |
| Metals and metal products..... | 123.5 | 123.6 | 119.4 | — .1 | 3.4 |
| Iron and steel..... | 128.3 | 128.1 | 121.9 | — .2 | 5.3 |
| Nonferrous metals..... | 116.8 | 117.6 | 116.9 | — .7 | — .1 |
| Metal containers..... | 129.9 | 128.8 | 123.0 | — .9 | 5.6 |
| Hardware..... | 120.5 | 120.4 | 116.7 | — .1 | 3.3 |
| Plumbing fixtures and brass fittings..... | 119.7 | 119.7 | 117.9 | 0 | 1.5 |
| Heating equipment..... | 119.0 | 118.6 | 115.9 | — .3 | 2.7 |
| Fabricated structural metal products..... | 122.2 | 122.2 | 118.2 | 0 | 3.4 |
| Miscellaneous metal products..... | 124.2 | 124.2 | 119.3 | — .2 | 4.1 |
| Machinery and equipment..... | 118.3 | 118.1 | 115.7 | — .2 | 2.2 |
| Agricultural machinery and equipment..... | 122.7 | 122.7 | 117.4 | 0 | 4.5 |
| Construction machinery and equipment..... | 125.9 | 125.9 | 121.6 | 0 | 3.5 |
| Metalworking machinery and equipment..... | 120.5 | 120.2 | 117.7 | — .2 | 2.4 |
| General purpose machinery and equipment..... | 122.9 | 122.7 | 119.8 | — .2 | 2.6 |
| Special industry machinery and equipment..... | 123.9 | 123.7 | 121.6 | — .2 | 1.9 |
| Electrical machinery and equipment..... | 110.7 | 110.6 | 109.5 | — .1 | 1.1 |
| Miscellaneous machinery..... | 120.8 | 120.7 | 117.3 | — .2 | 3.0 |
| Furniture and household durables..... | 111.4 | 111.2 | 110.0 | — .2 | 1.3 |
| Household furniture..... | 117.4 | 117.2 | 115.3 | — .2 | 1.8 |
| Commercial furniture..... | 119.8 | 119.5 | 118.1 | — .3 | 1.4 |
| Floor coverings..... | 98.8 | 98.6 | 98.2 | — .2 | — .6 |
| Household appliances..... | 107.3 | 107.1 | 107.0 | — .2 | — .3 |
| Home electronic equipment..... | 92.4 | 92.6 | 93.9 | — .2 | — 1.6 |
| Other household durable goods..... | 126.4 | 125.4 | 121.6 | — .8 | 3.9 |
| Nonmetallic mineral products..... | 126.2 | 125.8 | 123.3 | — .3 | 2.4 |
| Flat glass..... | 121.8 | 121.1 | 122.5 | — .6 | — .6 |
| Concrete ingredients..... | 126.9 | 126.8 | 123.3 | — .2 | 2.9 |
| Concrete products..... | 126.0 | 125.3 | 121.5 | — .6 | 3.7 |
| Structural clay products excluding refractories..... | 117.5 | 117.4 | 114.5 | — .1 | 2.6 |
| Refractories..... | 127.1 | 127.1 | 126.9 | 0 | — .2 |
| Asphalt roofing..... | 131.2 | 131.2 | 131.2 | 0 | 0 |
| Gypsum products..... | 115.7 | 113.9 | 112.7 | 1.6 | 2.7 |
| Glass containers..... | 136.4 | 136.2 | 131.5 | — .1 | 3.7 |
| Other nonmetallic minerals..... | 127.1 | 127.4 | 125.6 | — .2 | 1.2 |
| Transportation equipment (December 1968=100)..... | 114.1 | 114.2 | 110.3 | — .1 | 3.4 |
| Motor vehicles and equipment..... | 118.4 | 118.5 | 114.7 | — .1 | 3.2 |
| Railroad equipment..... | 130.2 | 129.6 | 121.5 | — .5 | 7.2 |
| Miscellaneous products..... | 114.9 | 114.2 | 112.8 | — .6 | 1.9 |
| Toys, sporting goods, small arms, ammunition..... | 114.5 | 114.4 | 112.6 | — .1 | 1.7 |
| Tobacco products..... | 117.5 | 117.5 | 116.6 | 0 | — .8 |
| Notions..... | 111.7 | 111.7 | 111.7 | 0 | 0 |
| Photographic equipment and supplies..... | 106.3 | 106.2 | 106.2 | — .1 | — .1 |
| Other miscellaneous products..... | 117.4 | 115.2 | 112.4 | 1.9 | 4.4 |

WHOLESALE PRICE INDEX 1963-1972

ALL COMMODITIES INDEX AND ITS RATE OF CHANGE (1967=100)

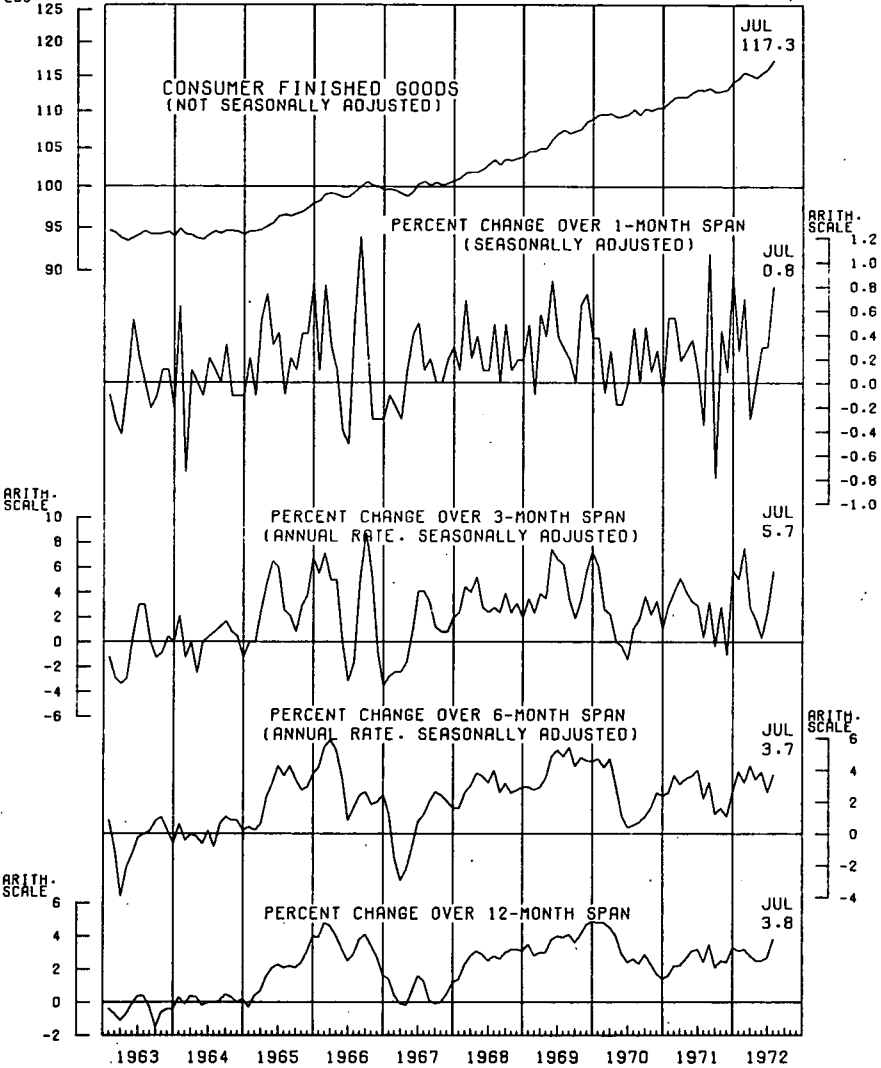


WHOLESALE PRICE INDEX 1963-1972
 INDUSTRIALS INDEX AND ITS RATE OF CHANGE (1967=100)



WHOLESALE PRICE INDEX 1963-1972

SEMI-LOG CONSUMER FINISHED GOODS AND ITS RATE OF CHANGE (1967=100)



MEASURES OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT STABILIZATION PROGRAM—MONTHLY SERIES

[Seasonally adjusted percent change, compound annual rate]

| | 12 months, December 1968 to December 1969 | 12 months, December 1969 to December 1970 | 8 months, prior to phase I, December 1970 to August 1971 | 3 months, phase I, August to November 1971 | 8 months, phase II, November 1971 to July 1972 | 11 months phases I and II, August 1971 to July 1972 |
|---|---|---|---|--|--|--|
| CPI: | | | | | | |
| All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 13.1 | 12.7 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 14.0 | 13.3 |
| Commodities less food..... | 4.5 | 4.8 | 2.9 | 0 | 12.5 | 11.7 |
| Services ¹ | 7.4 | 8.2 | 4.6 | 3.1 | 13.6 | 13.4 |
| Rent ² | 3.8 | 4.5 | 4.3 | 2.8 | 13.3 | 13.1 |
| WPI: | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | -2 | 5.7 | 4.0 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | -5 | 4.1 | 2.8 |
| Farm products, processed foods, feeds ³ | 7.5 | -1.4 | 6.5 | 1.1 | 9.5 | 7.2 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | 4.5 | 3.0 |
| Consumer foods ⁴ | 8.2 | -2.5 | 6.8 | .3 | 6.8 | 5.0 |
| Consumer commodities except food..... | 2.9 | 4.0 | 2.2 | -4 | 3.0 | 2.1 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | 3.7 | 2.1 |
| Spot market price index, industrial materials ⁵ | 16.4 | -8.8 | -4 | 3.1 | 24.5 | 18.2 |
| Private nonfarm production workers: | | | | | | |
| Earnings in current dollars: | | | | | | |
| Hourly ⁶ | 6.5 | 6.8 | 7.2 | 1.9 | 6.9 | 5.5 |
| Gross weekly..... | 6.2 | 4.3 | 6.4 | 4.6 | 7.0 | 6.3 |
| Spendable weekly ⁶ | 4.8 | 4.8 | 7.2 | 4.1 | 7.6 | 7.0 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁶ | .4 | 1.3 | 3.3 | 0 | 14.0 | 12.7 |
| Gross weekly..... | .1 | -1.1 | 2.5 | 2.6 | 14.3 | 13.8 |
| Spendable weekly ⁶ | -1.1 | -7 | 3.4 | 2.1 | 14.9 | 14.5 |

¹ Data through June 1972.

² Not seasonally adjusted; data contain almost no seasonal movements.

³ Raw agricultural products are exempt from the price controls.

⁴ Weekly index, not a component of WPI. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.

⁵ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.

⁶ Gross weekly earnings, after taxes, for worker with three dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

MEASURES OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT STABILIZATION PROGRAM—QUARTERLY SERIES

[Seasonally-adjusted percent change, compound annual rate]

| | IV—1968 to IV—1969 | IV—1969 to IV—1970 | IV—1970 to II—1971 | Phase I II—1971 to IV—1971 | Phase II, IV—1971 to II—1972 | Phases I and II, III, IV—71 to II—1972 |
|-------------------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|---------------------------------------|---|
| GNP price deflators: | | | | | | |
| Total..... | 5.3 | 5.3 | 5.1 | 2.2 | 3.6 | 2.9 |
| Private, fixed wts..... | 5.1 | 4.5 | 5.0 | 2.6 | 3.8 | 3.2 |
| Pers. cons. expend., fixed wts..... | 5.0 | 4.3 | 4.5 | 2.4 | 3.3 | 2.9 |
| Private nonfarm: | | | | | | |
| Hourly compensation..... | 6.9 | 6.8 | 7.5 | 5.8 | 6.7 | 6.2 |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 4.7 | 4.4 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.9 | 1.7 |
| Unit nonlabor payments..... | -6 | 6.0 | 7.2 | 1.0 | 4.3 | 2.6 |
| Price deflator..... | 4.8 | 5.2 | 4.3 | 1.4 | 2.7 | 2.1 |
| Real hourly compensation..... | 1.0 | 1.1 | 3.6 | 2.6 | 3.3 | 2.9 |
| Corporate nonfinancial: | | | | | | |
| Hourly compensation..... | 7.2 | 7.3 | 6.7 | 5.8 | 10.4 | 16.8 |
| Output per man-hour..... | 1.0 | 1.3 | 6.6 | 4.6 | 7.0 | 15.4 |
| Unit labor costs..... | 6.2 | 5.9 | .1 | 1.1 | 3.2 | 11.3 |
| Unit nonlabor costs..... | 7.9 | 10.1 | .8 | 6.0 | 1-2.8 | |
| Unit profits..... | -20.1 | -15.2 | 42.7 | -10.5 | 120.4 | 12.1 |
| Price deflator..... | 2.8 | 4.5 | 3.8 | 1.0 | 3.5 | 11.8 |
| Real hourly compensation..... | 1.3 | 1.5 | 2.9 | 2.4 | 6.8 | 13.3 |

Mean percentage adjustment, decisions reached during period

| | 1969 | 1970 | I and II— 1971 | III and IV—1971 | I and II— 1972 | III, IV—1971; I and II—1972 |
|---|------|------|-------------------|--------------------|-------------------|--------------------------------|
| Negotiated wage changes, all industries: | | | | | | |
| Wages and benefits, 1st year..... | 10.9 | 13.1 | 10.5 | 15.0 | 8.6 | 12.7 |
| Wages, 1st year..... | 9.2 | 11.9 | 10.0 | 13.5 | 7.5 | 11.1 |

¹ Data through I—72.

Mr. MOORE. As the employment situation release indicates, the basic employment situation in July is very similar to June. The overall unemployment rate held steady at 5½ percent, and the number of employed persons was about the same as was the June level.

As you have indicated, the 5½-percent level that we have now had for 2 months is below the rates of around 6 percent that prevailed since the close of 1970.

During the past year, the number of persons employed, which you did not mention, as I recollect, in your statement, has increased by about 2½ million persons. And I might say in comparison with other recoveries, that is a pretty good record. So, on the employment side, I think the record on the recovery is relatively good.

Chairman PROXMIRE. For the record, not right now necessarily, could you document that by comparing the increase in employment in the other recession periods I mentioned, 1953 and 1958?

Mr. MOORE. Yes; I will be glad to put that in the record.

Chairman PROXMIRE. Fine.

(The following information was subsequently supplied for the record:)

Comparisons of the current economic expansion with previous expansions, of the type published monthly by the Department of Commerce in *Business Conditions Digest*, Appendix G, are provided in the attached charts. July 1972 marks the 20th month of the current expansion. Chart I shows that the reduction in the unemployment rate since the business cycle trough of November 1970 has brought it to approximately the same level as that attained by the 20th month of the two most recent expansions. The current level, 5.5 percent in July, compares with 5.4 percent in the 20th month of the 1961-62 expansion, and 5.3 percent in the 1958-59 expansion. In 1954-56 and 1949-51 the rates in the 20th month were lower: 4.0 and 3.2 percent, respectively. The level of the current rate should be interpreted in the light of the fact that the labor force now includes larger proportions of teenagers and women, who have always experienced higher unemployment rates than adult men. This shift has raised the level of the total unemployment rate by about 0.4 percentage points within the past 10 years.

Chart 2 shows that the current expansion in employment has been greater than in any of the previous four expansions, when measured against the level it had attained at the preceding business cycle peak. In July 1972, the 20th month of the current expansion, 2.8 million more persons were employed than at the 1969 peak.¹ In October 1962, the 20th month of that expansion, employment was only 1.3 million above the 1960 peak. The corresponding figures for 1958-59, 1954-56 and 1949-51 are 0.8 million, 2.2 million, and 1.2 million, respectively.

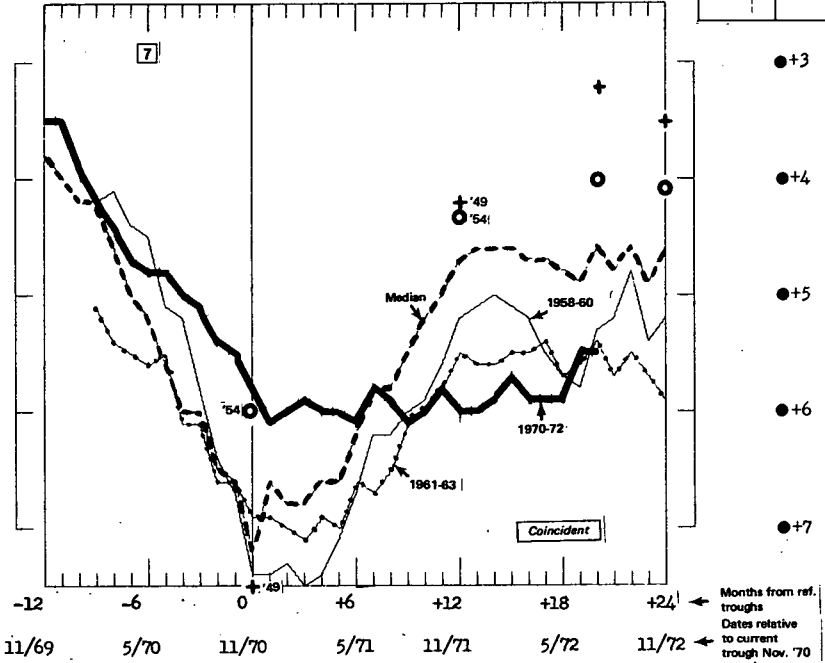
The reason why the extraordinary rise in employment in the current expansion has not produced an equally sharp reduction in unemployment is indicated by chart 3. The civilian labor force has grown far more rapidly in the current period than in the earlier periods. In July 1972 the civilian labor force exceeded its level at the preceding business peak by 4.7 million persons.¹ The growth in earlier expansions was: 1961-62, 1.5 million; 1958-59, 1.7 million; 1954-56, 3.2 million; 1949-51, 0.9 million. The far more rapid growth in the past 3 years is due partly to the reduction in the armed forces since 1969 and the entry of these veterans into the civilian labor force. This has contributed 1.1 million to the 4.7 million growth in the civilian labor force since November 1969. In 1961-62 and in 1949-51 the shift was in the opposite direction: the civilian labor force grew more slowly because the armed forces were being increased.

For a full explanation of the type of information provided in the charts, as well as similar charts for other economic data, see *Business Conditions Digest*. All these charts compare the current expansion with the previous expansions by measuring changes from the preceding peak in economic activity rather than from the trough of the recession. An expansion measured from the trough can look impressive simply because the trough was so low. In other words, simply recovering lost ground can look more impressive than actual growth. Measuring from the peak rather than from the trough avoids this problem.

¹ The changes in the employment and labor force data have been adjusted here and in the charts, to allow for the introduction, beginning January 1972, of 1970 Census data into the estimation procedures.

Chart 1. RECOVERY COMPARISONS: Current and Selected Historical Patterns

43. Unemployment rate, total (Plotted lines represent actual data rather than deviations from reference peak levels, percent, inverted scale)

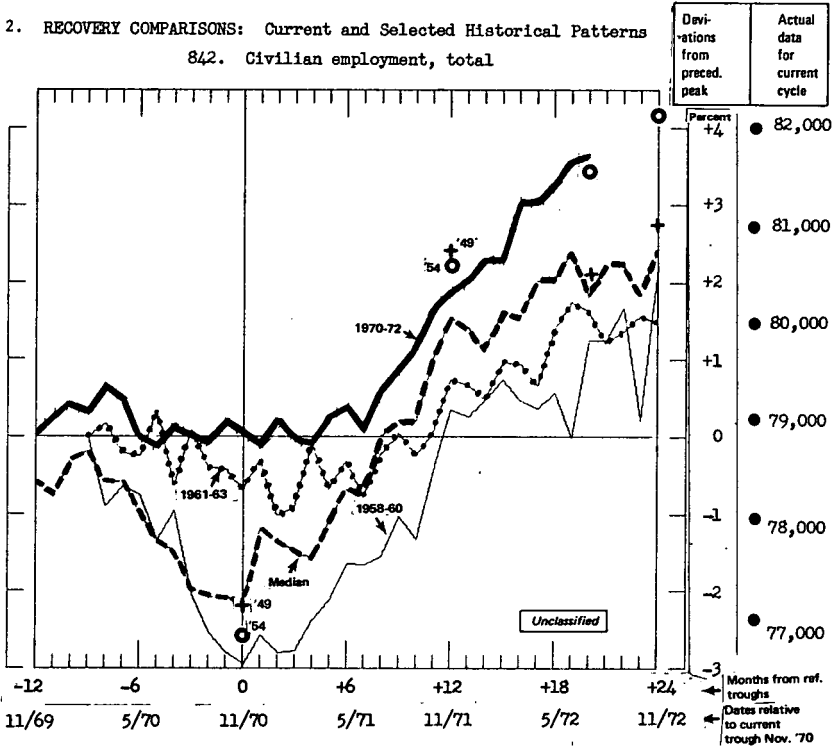


| Current data (Percent) | | |
|------------------------|------------------|--------------|
| Nov. '69 (P) 3.5 | Nov. '70 (P) 5.8 | Nov. '71 6.0 |
| Dec. '69 3.5 | Dec. '70 6.1 | Dec. '71 6.0 |
| Jan. '70 3.9 | Jan. '71 6.0 | Jan. '72 5.9 |
| Feb. '70 4.2 | Feb. '71 5.9 | Feb. '72 5.7 |
| Mar. '70 4.4 | Mar. '71 6.0 | Mar. '72 5.9 |
| Apr. '70 4.7 | Apr. '71 6.0 | Apr. '72 5.9 |
| May '70 4.8 | May '71 6.1 | May '72 5.9 |
| June '70 4.8 | June '71 5.8 | June '72 5.5 |
| July '70 5.0 | July '71 5.9 | July '72 5.5 |
| Aug. '70 5.1 | Aug. '71 6.1 | |
| Sep. '70 5.4 | Sep. '71 6.0 | |
| Oct. '70 5.5 | Oct. '71 5.8 | |

| 20 months after ref. trough | |
|-----------------------------|-------------|
| Ref. trough year | Actual data |
| 1949 | 3.2 |
| 1954 | 4.0 |
| 1958 | 5.3 |
| 1961 | 5.4 |
| 1970 | 5.5 |
| Median | 4.6 |

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Chart 2. RECOVERY COMPARISONS: Current and Selected Historical Patterns
8.2. Civilian employment, total



Current data (Thousands)

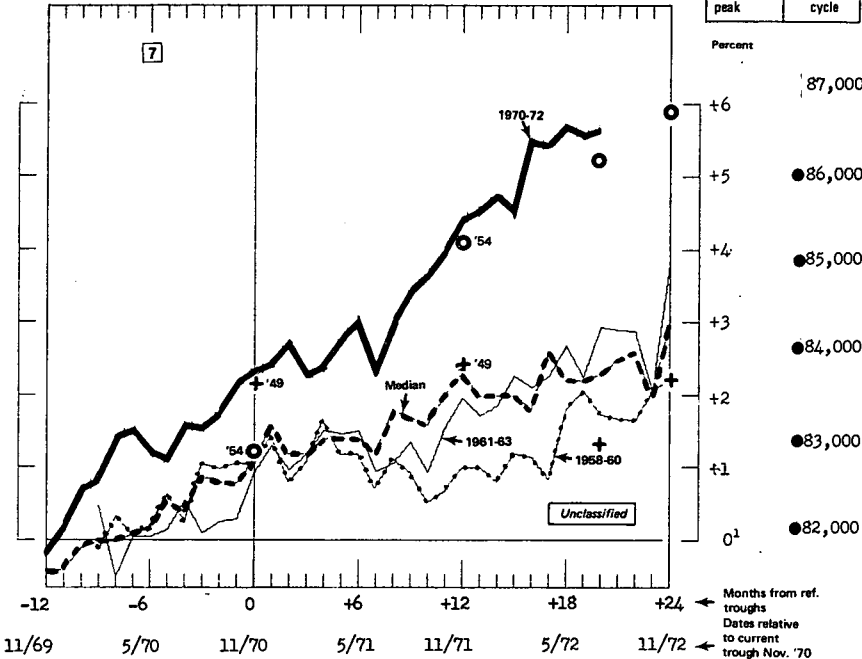
| | | | | | |
|----------|--------|----------|--------|----------|--------|
| Nov. '69 | 78,836 | Nov. '70 | 78,849 | Nov. '71 | 80,321 |
| Dec. '69 | 79,050 | Dec. '70 | 78,728 | Dec. '71 | 80,399 |
| Jan. '70 | 79,154 | Jan. '71 | 79,019 | Jan. '72 | 80,636 |
| Feb. '70 | 79,053 | Feb. '71 | 78,776 | Feb. '72 | 80,623 |
| Mar. '70 | 79,319 | Mar. '71 | 78,747 | Mar. '72 | 81,241 |
| Apr. '70 | 79,209 | Apr. '71 | 79,033 | Apr. '72 | 81,205 |
| May '70 | 78,815 | May '71 | 79,131 | May '72 | 81,394 |
| June '70 | 78,713 | June '71 | 78,901 | June '72 | 81,667 |
| July '70 | 78,932 | July '71 | 79,315 | July '72 | 81,682 |
| Aug. '70 | 78,815 | Aug. '71 | 79,500 | | |
| Sep. '70 | 78,749 | Sep. '71 | 79,752 | | |
| Oct. '70 | 78,979 | Oct. '71 | 80,133 | | |

20 months after ref. trough

| Ref. trough year | Percent deviations |
|------------------|--------------------|
| 1949 | 2.1 |
| 1954 | 3.6 |
| 1958 | 1.2 |
| 1961 | 1.6 |
| 1970 | 3.6 |
| Median | 1.8 |

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Chart 2. RECOVERY COMPARISONS: Current and Selected Historical Patterns
841. Civilian labor force



| Current data (Thousands) | | | |
|--------------------------|---------------------|----------|--------|
| Nov. '69 (P) 81,728 | Nov. '70 (T) 83,751 | Nov. '71 | 85,449 |
| Dec. '69 81,964 | Dec. '70 83,818 | Dec. '71 | 85,558 |
| Jan. '70 82,394 | Jan. '71 84,063 | Jan. '72 | 85,707 |
| Feb. '70 82,520 | Feb. '71 83,694 | Feb. '72 | 85,535 |
| Mar. '70 82,985 | Mar. '71 83,788 | Mar. '72 | 86,313 |
| Apr. '70 83,102 | Apr. '71 84,121 | Apr. '72 | 86,284 |
| May '70 82,837 | May '71 84,319 | May '72 | 86,486 |
| June '70 82,721 | June '71 83,734 | June '72 | 86,395 |
| July '70 83,137 | July '71 84,253 | July '72 | 86,467 |
| Aug. '70 83,102 | Aug. '71 84,646 | | |
| Sep. '70 83,278 | Sep. '71 84,824 | | |
| Oct. '70 83,599 | Oct. '71 85,083 | | |

20 months after
ref. trough

| Ref. trough year | Percent deviations |
|------------------|--------------------|
| 1949 | 1.3 |
| 1954 | 5.2 |
| 1958 | 2.9 |
| 1961 | 1.7 |
| 1970 | 5.7 |
| Median | 2.3 |

¹ Reference peak levels are averages of the three months centered on reference peak dates.

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Mr. MOORE. The payroll employment statistics that we get independently of the household survey, also show virtually no change over the month. Here we see a rise in service industry employment, which has steadily been growing for many months, being offset by a decline in the employment in goods-producing industries. And this decline in the goods-producing sector, we attribute in part to the influence of the tropical storm Agnes, and to increased strike activities in the construction field.

The steadiness in the unemployment rate overall is reflected in most of the major sex and age and color groups, with little change shown in any one of those major groups. There was some decline in the rate of unemployment of household heads, which was 3.6 percent in June and dropped to 3.3 percent in July. The same statement on the employment situation overall applies also to the Vietnam era veterans where employment was about the same in July as in June, and the rate of unemployment, 7.3 percent, was also approximately the same. This rate is lower than it was a year ago, and it comes closer to the rate of unemployment for nonveterans in the same age group which was 6.5 percent in July.

The employment release also points out that the average workweek remained the same, both for the total private nonagricultural sector and for the manufacturing sector. In manufacturing, it is now up to 40.7 hours per week, which is historically a relatively high number. The employment release also contains information on average hourly earnings. In terms of dollars and cents, they moved up 1 penny in July to \$3.62. Now it is about 5½ percent above a year ago.

Of course, the Consumer Price Index has risen a little less than 3 percent. The latest figure we have shows a rise from last June to this June of 2.9 percent, so that real earnings—that is, after allowance for the increase in prices—are up somewhat less than 3 percent.

Our hourly earnings index, which adjusts for changes in the mix of industry that occurs over periods of time, and also excludes overtime in manufacturing, shows an increase in July of four-tenths of a percent and now stands at 5.8 percent above a year ago.

In the wholesale price release, we point out that the All Commodities Index rose eight-tenths of a percent on an adjusted basis, seven-tenths of a percent on a seasonally adjusted basis. The Industrial Commodities Index, which really forms the bulk of the total index, rose only two-tenths of a percent both before and after seasonal adjustment. So, much of the advance in the All Commodities Index, was due to farm products and processed foods and feeds which advanced about 2 percent, whether adjusted or unadjusted.

The press release contains a table similar to one that I have put into the record on the changes in the Wholesale Price Index before and during the stabilization period. It is shown at the bottom of the first page. For the All Commodity Index, the rate of change at an annual rate over the whole period of the stabilization program, since last August, is 4 percent; the industrial commodities increase is 2.8 percent, and the farm products and processed foods and feeds, 7.2 percent.

Referring to the table, which shows a much more comprehensive picture of both prices and wages before and during the—

Chairman PROXMIRE. Is that the table "A" of your press release?

Mr. MOORE. No, this is the table that I have put in the record separately. This shows a much more comprehensive picture, covering more

than just the WPI. It shows the Consumer Price Index, hourly and weekly earnings, and productivity and unit labor costs.

My general view of these numbers is that inflation is still going on, but it is at a much more moderate pace than existed just prior to the initiation of the stabilization program in most sectors, although there are some substantial exceptions, notably in the food price area. With respect to wages, there has been some moderation in the rate of increase in money wages, both hourly and weekly, but an acceleration in the rate of increase in real wages.

The wage earner is taking more real income home after allowance for the increase in prices than he was before the stabilization program was put into effect.

In terms of productivity, the latest rate we have covering the whole stabilization program for the private nonfarm sector shows a 4.4 rate of increase, which is, on a historical basis, a relatively high figure. And one result of that relatively high rate of increase in output per man-hour, coupled with the somewhat less exuberant increase in wages, is that unit labor costs during the stabilization program have risen at the rate of 1.7 percent. In other words, somewhat less than a 2-percent increase in the labor costs per unit of output during the stabilization period.

Well, that is a very brief summary, Mr. Chairman, of our releases today, and what they show with respect to employment, prices, and wages.

Chairman PROXMIRE. Mr. Moore, I mentioned in my opening remarks that in previous recessions the unemployment rate has dropped significantly in the first year of recovery, and I pointed out in 1954, it dropped 2 percentage points within a year of the peak, and in 1958 it dropped 2½ percentage points, and in 1961, 1.6 percentage points. I recall from your first appearance before the committee, you made the assumption that unemployment remained stubbornly high, because we were in the early stages of a sluggish recovery.

We are no longer in the early stages, and given the GNP in the second quarter performance, I do not think you could label the economy as sluggish. So, it is neither a sluggish recovery at this point, or the early stages. My question is, if the recovery has indeed picked up, do you expect the unemployment rate to go down as it did in the other recovery? If not, what can you offer for the reason for the meager decline in the unemployment rate?

Mr. MOORE. Well, the question is a tough one. One of the problems with comparisons with other recovery periods is that the rate of decline in unemployment—and it is true in the other direction as well; that is, the rate of rise of most measures of activity—depends, in part, on how low or how high in the case of unemployment they got during the recession itself. Normally, the greater the decline in activities and the greater rise in unemployment during a recession, the sharper the recovery during the subsequent recovery period. Well, in this case we had a very mild recession. It was—

Chairman PROXMIRE. Of course—let me just interrupt to say we did have the experience that was very similar to the Korean war, as compared to the Vietnam war, and it dropped then from 6 percent to 4 percent within a year, so that was about the same level of unemployment, the 6.1 now, during the heavy unemployment, but it is

down to 5.5 compared to a drop from 6 to 4. So, there was a much better performance after the Korean war.

Mr. MOORE. Of course, after the Korean war, there was enormous stimulation of the economy.

Chairman PROXMIRE. I am talking about 1954 to 1956 recovery. There was not a war stimulation then. There was no stimulation; and if there had been stimulation during the Korean war period and then the recession in 1954, and then the recovery from it, which was, as I say, it was much better than this recovery has been.

Mr. MOORE. Well, I would rate the 1954 recession itself as more severe—considerably more severe—than the recession of 1969–70. The recovery from it was more rapid, partly on that account.

But, going beyond that, I think on this occasion what happened is that we have had a fairly normal recovery in employment but an altogether extraordinary increase in the number of people in the labor force. And since the difference between the two is unemployment, there has been a very minor, small decline in unemployment relative to what has happened in other recovery periods. Now, what has stimulated the labor force to grow?

Well, I think it is partly that we have had a very large number of young people coming into the labor force, and a large number of women coming into the labor force, which we have not had on earlier occasions, and that has been one of the factors that has made it grow rapidly.

Chairman PROXMIRE. Now, is that likely to continue? Can you give me any demographic figures, or can you tell me whether you feel this is an abnormal increase in the labor forces which is likely to continue so that we will have a continuous problem of more than 5-percent unemployment looking to the increase in the labor force in spite of the vigorous recovery?

Mr. MOORE. Do I think that is likely to continue?

Chairman PROXMIRE. As you look at the demographic figures, the number of young people going into the labor force, and the number of people coming out of defense work and so forth?

Mr. MOORE. Well, I think there is going to be a less rapid increase in the very young people coming into the labor force due to demographic reasons, but in the intermediate ages, say 20 to 35 or so, there is likely to be a continued rapid rise, if not an acceleration.

Chairman PROXMIRE. Then there is likely to be a continuous difficulty in getting employment down much lower than these figures?

Mr. MOORE. Overall, looking at the total labor force, I am not so sure there will be any more rapid increase in the labor force than there has been in recent years.

Chairman PROXMIRE. Now, the most spectacular news that you bring us this morning is the change in the Wholesale Price Index, and this could be viewed as disturbing especially since in the third consecutive month of very rapid increases. When was the last time the Wholesale Price Index went up seven-tenths of a percent in 1 month, seasonally adjusted?

Mr. MOORE. It was in August of 1971, a year—

Chairman PROXMIRE. A year ago.

Mr. MOORE. Just before the stabilization program went into effect.

Chairman PROXMIRE. When was the last time consumer finished goods went up eight-tenths of 1 percent, seasonally adjusted in 1 month? That is the other phase of this that I think is shocking also.

Mr. MOORE. December of 1971.

Chairman PROXMIRE. Now, your table shows the Wholesale Price Index has gone up more during phase II than it did in the period prior to the freeze. Every major component is as bad or worse than before the freeze, except industrial prices, and they are plenty bad enough. I would like to ask you what that implies for policy, whether we need another freeze, how we can come to grips with this problem. But I recognize you are not free to answer such policy-oriented questions.

Let me ask you this: How can the Wholesale Price Index go up to more, much more, than the Consumer Price Index or GNP deflator? When and to what extent do these increases show up in other indexes?

Mr. MOORE. Well, the part of the WPI that is most closely related to the Consumer Price Index is the consumer finished commodities part.

Chairman PROXMIRE. Now, when is that likely to show up in the Consumer Price Index?

Mr. MOORE. Well, we figure that there is not much more than a month or two difference between the changes in the Wholesale and the—

Chairman PROXMIRE. So, perhaps in another month or so in September, the August or September figures, you are likely to have at least this element contributing to what might be an increase in the Consumer Price Index?

Mr. MOORE. In the commodities part of the CPI, that is correct.

Chairman PROXMIRE. Could you explain briefly in as nontechnical a way as possible, how the Wholesale Price Index relates to the GNP deflator?

Mr. MOORE. Well, that is a technical question and to give a non-technical answer is not too easy.

Chairman PROXMIRE. Can you call on your price man, Mr. Popkin to do that?

Mr. MOORE. Maybe Mr. Popkin can explain that in words of one syllable.

Mr. POPKIN. Of our two price indexes, the WPI and the CPI, it is the CPI that is used directly for the most part.

Chairman PROXMIRE. The Consumer Price Index?

Mr. POPKIN. Yes; that is right. About two-thirds of the gross national product is deflated by the Consumer Price Index. The rest is deflated by other series, including the WPI. I think the main role that the WPI plays in deflating the "National Income and Product" accounts is in the area of producers finished goods where our Machinery and Equipment Index is used to deflate that component of the GNP.

Chairman PROXMIRE. Now the WPI release indicates that while food prices rose at a seasonally adjusted rate of 1.3 percent in July, meat prices rose less than seasonally. This puzzles me since we have been hearing that meat prices would continue to rise for some time. Would you comment on that?

Mr. POPKIN. Well, as you move into the summer, livestock and meat prices generally move up.

Chairman PROXMIRE. Well, these are all seasonal figures I am talking about, seasonally adjusted, as I understand.

Mr. POPKIN. The livestock moved up then more than seasonally. However, the meats, which is the next stage of production, the dressed carcasses did not move up as much as they usually do.

Chairman PROXMIRE. Does this mean that we have got the meat situation moving more favorably from the standpoint of the consumer and can we expect to have—does it look as if I—and I don't want to ask for a prediction—but it does, it seems to me now we have the supply and demand factors in better balance.

Mr. POPKIN. Well, the seasonally adjusted figures would indicate that. However, I should hasten to add that the housewife does not pay seasonally adjusted prices, so that an absolute increase in meat prices, even though it is less than seasonal, is likely to lead to an increase in prices at the consumer level, which, too, may be less than seasonal.

Chairman PROXMIRE. Because there was such an increase in the prices of food other than meat, seasonally adjusted, what special factors accounted for the rise in food products other than meat?

Mr. POPKIN. Well, fresh fruits and vegetables were important and they rose more than seasonally.

Chairman PROXMIRE. Why?

Mr. POPKIN. It usually reflects the supply-and-demand situation. When you move from one area of production, say in the early spring, and a lot of vegetables and produce are coming from the South, and then you are moving—

Chairman PROXMIRE. Mr. Popkin, you persist in making seasonal explanations, and these are seasonally adjusted figures, as I understand it.

Mr. POPKIN. Yes. Well, what I am saying is that when, if on a seasonally adjusted basis, there is a rise, and there was for fresh fruits and vegetables, for example, it usually indicates shortages on the supply side, rather than big shifts in demand. There was a movement, I believe, from some producing areas further South, to more northerly producing areas, as the weather changes and sometimes there is a large—not complete transition that can be made due to gaps, and due to weather. For example, if you do not have a good spring in the North, your Northern fresh fruits and vegetables take longer before they come onto the market. Meanwhile, the Florida stuff has all dried up.

Chairman PROXMIRE. Just as a generalization, then, you would say it is the unusual weather situation that we had in the last few months that has probably affected the nonmeat items and given us a shortage, relative shortage of supply; is that right?

Mr. POPKIN. Possibly.

Chairman PROXMIRE. Are there other elements?

Mr. POPKIN. This could happen. You say unusual weather circumstances, and I think you are probably referring to the hurricane, and I am not so sure that it takes as much as—

Chairman PROXMIRE. I am not referring to anything in particular but you made your explanation in terms of weather and nothing else. Are there other factors that could account for this besides weather?

Mr. POPKIN. Well, if there was a glut of fruits and vegetables on the market at an earlier period, this would be discouraging to the farmers to plant as much, so that the supply could decrease in the subsequent period.

Chairman PROXMIRE. So, you have to theorize on this, you cannot give us the answer right now?

Mr. POPKIN. I can look for more information on it. Maybe I can answer more completely in a few minutes, if I can find it here.

Chairman PROXMIRE. All right. Fine.

Mr. Moorhead.

Representative MOORHEAD. Thank you, Mr. Chairman.

Mr. Moore, in your statement you list unemployment for teenagers at 14.8 percent and for Negroes at 9.9 percent. Do you have figures for unemployment for Negro teenagers?

Mr. MOORE. Yes, sir.

Mr. POPKIN. Excuse me. If I could take this opportunity to just return to the chairman's question. Those explanations stand. I see, by reading my notes, that it is largely a matter of weather.

Chairman PROXMIRE. Thank you. If you would like to document that a little further when you correct your remarks, we would appreciate it.

(The following information was subsequently supplied for the record:)

FRESH AND DRIED FRUITS AND VEGETABLES

Wholesale prices of fresh and dried fruits and vegetables rose contraseasonally in mid-July by 6.7 percent from mid-June reflecting price advances of 13.3 percent for fresh fruits, 4.3 percent for fresh and dried vegetables, and 1.2 percent for dried fruits. On a seasonally adjusted basis, the index rose 15.7 percent.

Higher fresh fruit prices reflected lighter fruit supplies due to the near completion of the citrus crops in Florida and strawberry production in many areas and depleting stored apple holdings. A price rise of 4.3 percent for fresh and dried vegetables resulted from curtailed availability due to adverse weather conditions, which hampered harvest and growth of vegetable crops, and lower production estimates for some vegetable items. Significant price increases occurred for sweet potatoes, carrots, white potatoes, onions, celery, and snap beans, ranging from 17.8 percent to 51.5 percent. More ample supplies sent prices tumbling for tomatoes, lettuce, and cabbage, down 45.7 percent, 30 percent, and 11.4 percent respectively.

Wholesale prices of fresh and dried fruits and vegetables in mid-July averaged 13.8 percent above a year earlier reflecting price advances of 23.2 percent for fresh fruits, 17.4 percent for fresh and dried vegetables, and 13.6 percent for dried fruits. Higher fresh fruit prices stemmed mainly from price jumps of 72 percent for strawberries and 31.9 percent for bananas, reflecting lighter supplies than a year earlier. Prices of most citrus items were lower than last July. A 17.4 percent price advance for fresh and dried vegetables resulted from limited supplies due to reduced acreage planting for some vegetable items and adverse growing and harvesting weather in some areas in the United States, especially during the latter part of June. Sharp price increases included 85 percent for onions, 47.4 percent for white potatoes, 45.4 percent for cabbage, 33.2 percent for sweet potatoes, and 25.1 percent for snap beans. Greater production pushed prices down 26.4 percent for lettuce, 15.4 percent for carrots, and 11.7 percent for tomatoes. Much lower 1972 grape and prune crop estimates due to the late March freeze accounted for the price rise of 13.6 percent for dried fruits from a year earlier.

Mr. MOORE. Well, I am sorry to say, Mr. Moorhead, we do not have the figures at this time. They are not in this release. We could get them, and we do publish them in Employment and Earnings, which is our

monthly comprehensive report. But, I do not have them with me at this point. We do have them here for last month if you want to know roughly what they are.

Representative MOORHEAD. You could supply that for the record, though?

Mr. MOORE. Yes, we certainly could for the record.

(The following information was subsequently supplied for the record:)

The July 1972 unemployment rate for Negro teenagers was 29.9 percent, compared with 28.7 percent in the previous month and 31.5 percent a year ago. The current rate should be considered as not materially changed from either a month or a year ago.

Representative MOORHEAD. Do you also have figures—we just had testimony from the Secretary of Labor of Puerto Rico. Do you break, can you break out, say, Puerto Rican unemployment or Spanish-speaking unemployment? Do you make any further divisions in your statistics?

Mr. MOORE. No, not from the household survey, we do not have any separate geographic areas, like Puerto Rico, covered separately in that survey. In fact, that survey does not include Puerto Rico in its coverage. So I am unable to give you any information directly about Puerto Rico from this survey.

Mr. KAITZ. Sir, if I may add something here. Puerto Rico conducts its own household survey every month.

Representative MOORHEAD. I am talking about people on the mainland United States.

Mr. KAITZ. Puerto Rican ancestry, no, we do not have that kind of information on a regular monthly basis, or even on an annual basis from the household survey.

Representative MOORHEAD. Can you give me unemployment figures by geographic area, and well, for example, I would be most concerned about the Pittsburgh area. Can you give it to us by geography, by geographical areas, and what is the breakdown?

Mr. MOORE. Well, we can do that on an annual basis from this household survey that we are reporting on today, and we do publish such figures. But, the current figures are developed by the Manpower Administration and its offices in various States, and they are not a part of the BLS program, as yet. So, I do not have them here with me at this point, and, again, for the record, we could obtain those figures. But, they are not a part of the BLS.

Representative MOORHEAD. So, you could obtain for the record unemployment by whatever geographic areas you use, is that correct, sir?

Mr. MOORE. Yes, sir; from the Manpower Administration's estimates.

Mr. KAITZ. Sir, there is a distinction there in this instance. The figures produced by the Manpower Administration are simply average figures for the areas. They include no personal characteristic breakdowns, while our figures on an average annual basis, will include some demographic detail for these individual areas, like Pittsburgh.

Representative MOORHEAD. Well, that is what I am really looking for. Can you then give us for geographical areas and maybe I do not need it on a monthly basis, but on an annual basis, the demographic background? That is, if I asked for the number of unemployed blacks

in the San Francisco region, you could give me that figure, is that correct?

Mr. KAITZ. That is right. We can only do this, incidentally, for a limited number of areas. We have 20 standard metropolitan statistical areas for which these data are published on an average annual basis, because that part of the sample that exists in these areas is large enough to support these estimates. But, the basic sample, of course, is a national sample, and it is designed to produce a national estimate. In the 20 largest standard metropolitan statistical areas, the size of the sample is sufficient in order to develop estimates of this kind.

Representative MOORHEAD. I see. Thank you. Are you familiar—

Mr. MOORE. Mr. Moorhead, could I ask, would you like us to supply for the record any particular area figure?

Representative MOORHEAD. Well, I am coming to that, Mr. Moore. I was going to ask you if you were familiar with a letter which Congressman Louis Stokes, chairman of the Congressional Black Caucus, sent to the Secretary of Labor on February 29, 1972?

Mr. MOORE. Can you tell me something about the contents? I do not recall.

Representative MOORHEAD. Well, one of these sentences is: "We call upon the Department of Labor to furnish the latest Bureau of Labor Statistics data on the unemployment situation among blacks in the Nation's 10 largest metropolitan areas." I wondered if that might have been referred to you, sir?

Mr. MOORE. It very likely was, and do you recall, Mr. Kaitz?

Mr. KAITZ. No; I do not recall anything offhand. If the letter did come to us, I am sure we did furnish the information we had available at that time.

Representative MOORHEAD. Well, I would then—

Chairman PROXMIRE. Well, would the Congressman yield?

With unanimous consent, we would place in the record whatever response you gave to Mr. Stokes, and I am sure you must have given some response, and if you could provide that for the record at a later time.

Mr. MOORE. I will be glad to look it up.

Representative MOORHEAD. Mr. Chairman, I do have the reply which came from the Secretary of Labor, but I do not know that it went to Mr. Moore. But, I think that without re-reading the letter, I believe that your testimony indicates that you can give more detailed information than was contained in the Secretary's letter which was dated May 10, 1972. According to Congressman Parren Mitchell of Maryland, the answer was not satisfactory.

Chairman PROXMIRE. Would the gentleman yield? There is a roll-call and I will go over and vote and come right back. You carry on.

Representative MOORHEAD. According to Congressman Mitchell, the answer was not satisfactory. And I think from what you have told me you can give the unemployment figures on an annual, rather than monthly basis, including a breakout of blacks or nonwhite employment and a further breakdown of teenage black or nonwhite employment? This you can do, as I understand?

Mr. MOORE. For the areas—these 20 largest areas we could do that.

Representative MOORHEAD. Yes. I think we might as well. The caucus only asked for 10 in the letter, which when the chairman comes back I

will ask permission to insert in the record. But, since you have the figures for the 20 standard metropolitan statistical areas, we might as well get that figure for the 20 areas.

Mr. MOORE. Well, I will be glad to look up the Secretary's response and if we can amplify it in any way, in the direction you have indicated, I will be glad to do so for the record.

Representative MOORHEAD. If I haven't made myself clear, Mr. Moore, we want it broken down by each of the 20 areas.

Mr. MOORE. I understand.

Representative MOORHEAD. Yes. I just wanted to clear that point up.

Mr. Moore, has there been any more thought about resuming the monthly press briefing? You remember that you and I had some discussions about that when I was wearing another hat in the Government Information Subcommittee?

Mr. MOORE. Well, I do not think there has been any recent talk about any change about what we are doing. It does seem to me, looking back over the experience that we have had, that the situation has worked out in a pretty satisfactory manner. And by that I mean, that the news that we report on—the statistical developments—are covered very thoroughly in the press and, by and large, very accurately in the press.

Our own personalities, if I may say, people within the BLS, are not entering into the news nearly to the same extent as was the case in the past. And I count that as a plus, because I think it is important to keep the statistical facts as independent of personalities as possible, to relate them to the institution that has the responsibility for them—namely, the Bureau of Labor Statistics—and to put out those facts in as simple and straightforward a manner as possible. We do get from the press a large number of questions about the data and we answer them as thoroughly and as promptly as we possibly can. From my point of view, I have found the situation to be more satisfactory than it was prior to our discontinuance of the press briefings.

Representative MOORHEAD. Mr. Moore, before you came in, we had some representatives from Puerto Rico testifying. I wonder if you have supported any studies recently on economic problems in Puerto Rico, or problems of Puerto Ricans now on the mainland, and what studies has BLS done relative to employment and wages, either in Puerto Rico, or among mainland Puerto Ricans?

Mr. MOORE. Mr. Moorhead, the New York Regional Office of the Bureau of Labor Statistics has issued some reports on the employment situation of the Puerto Rican people in that area. I do not have with me the references but I would be glad to supply them for the record, i.e., what those publications were. We also have some studies underway of the Spanish-American population generally including Puerto Ricans and others, Mexican-Americans. I can give you a better explanation of what those studies pertain to for the record, if you would care to have them.

Representative MOORHEAD. If I have asked the question limiting it to Puerto Ricans, and your figures are for Spanish-speaking, please consider my question amended to whatever statistics you have, which would be most helpful in this area. I think we recognize that there probably is a unique employment situation that people, particularly

speaking a language that is not English, encounter when they seek jobs. And I want to see if the statistics reflect that fact.

Mr. MOORE. Yes, well, we will be glad to answer on that.

(The following information was subsequently supplied for the record:)

The following are recent publications relating to the economic status of the Spanish-American population:

U.S. Department of Labor, Bureau of Labor Statistics, New York Regional Office:

"Labor Force Experience of the Puerto Rican Worker," June 1968, Report No. 9.

Urban Studies Series: Poverty Area Profiles. "The New York Puerto Rican Patterns of Work Experience," May 1971, Report No. 19.

"Economic Status of Puerto Ricans in New York City," February 1972.

Pacific Regional Office:

Urban Employment Studies: Employment and Unemployment in East and South Central Los Angeles. An Overview, July 1968-June 1969, Report No. 14.

A Comprehensive Analysis of Three Studies Conducted During the 1960's, Report No. 16.

Jobseekers and Job Seeking Methods, July 1968-June 1969, Report No. 18.

Migration, Mobility and Length of Residence, July 1968-June 1969, Report No. 21.

Transportation to Work—July 1968-June 1969, January 1972, Report No. 22.

Dallas Regional Office:

Poverty in Houston's Central City, February 1970, Report No. 1.

Roads to Work: Barriers to Employment in Houston's Central City, September 1970, Report No. 2.

Commuting: Transportation for Workers in Houston's Central City, September 1971, Report No. 3.

Origins—Transience and Residence in Houston's Central City, March 1972, Report No. 4.

U.S. Department of Labor, Bureau of Labor Statistics:

Fogel, Walter, "Job Gains of Mexican-American Men," Monthly Labor Review, Vol. 91, No. 10, October 1968.

Fulco, Lawrence J., "How Mechanization of Harvesting is Affecting Jobs," Monthly Labor Review, Vol. 92, No. 3, March 1969.

Representative MOORHEAD. Mr. Moore, the data on hires, quits, layoffs, and job vacancies in manufacturing in June was released last week. This data does not seem to me to present so bright a picture as did the June employment survey data, which showed a drop in the unemployment rate from 5.9 to 5.5 percent. Seasonally adjusted new hires were down in June, layoffs were up, layoffs were the highest since last September. Job vacancies were down, but that could be a seasonal matter, since this data is nonseasonally adjusted, and is this data consistent with a strengthening labor market?

Mr. MOORE. Well, one reason for the difference between these figures and those that we are reporting today, and did report earlier for June, is that the hires and the layoffs and the vacancies pertain only to manufacturing. They are limited to that major industry. And, secondly, they cover the entire month of June, rather than the week that includes the 12th of the month, which the household employment survey covers. Now, one effect of covering the entire month of June is that part of the effect of the Hurricane Agnes was probably reflected in the layoff figures and possibly in the new hires figures as well, for June as a whole.

At any rate, it looked like a very abrupt rise in the layoff rate that was a change in the trend for June, that one month, whereas it has been declining very steadily up to that point. So it looked as though there was something in the figure that caused it to change very abruptly, like a storm of that magnitude.

Representative MOORHEAD. But, have not layoffs been increasing even on a quarterly basis?

Mr. MOORE. I am sorry, sir?

Representative MOORHEAD. Haven't layoffs been increasing even if you look at it on a quarterly basis?

Mr. MOORE. Of course, if you average in one very high month, which the June figure was, with two other lower months, you do get an increase. But, I think—I happen to have a copy of the release with me, and if you look, if you have it—do you have a copy there?

Representative MOORHEAD. What is the date of that?

Mr. MOORE. July 28.

Representative MOORHEAD. I am looking at that one, gentlemen, July 28.

Mr. MOORE. If you look at the next to the last page, there is a chart which shows the new hires, the layoffs, and the quits. And you will see what I mean by the very abrupt change in the last month. That is the June figure as compared with the previous month. That happens every now and then, and it looks like an erratic movement to me, rather than a real change in the trend.

Representative MOORHEAD. You mentioned the layoff picture looked bad in manufacturing, mentioning that if you looked at the other things it wasn't so bad, but can we have a strong recovery with a weak manufacturing sector?

Mr. MOORE. I think we have already had a strong recovery with a weak manufacturing sector. Looking over the past year and a half or so, the rise in manufacturing employment is relatively modest, whereas the rise in total employment of the whole economy, has been relatively strong. So, I think it is possible, although of course the stronger the recovery in manufacturing, the better the recovery in the whole economy.

Representative MOORHEAD. There has been mention about Hurricane Agnes, and I will have to depart, because we are having a meeting on the subject of Hurricane Agnes, which had its effects on my State of Pennsylvania, a very disastrous effect. Mr. Chairman, we did have a discussion about the exchange of letters between the chairman of the Black Caucus and the Secretary of Labor, and a memorandum to me from Congressman Parren Mitchell, and with the permission of the Chair, I would like to make these letters also a part of the record, and Commissioner Moore has also agreed to give an even more detailed breakdown than was requested in the original letter.

Chairman PROXMIRE. Yes; without objection, those documents will follow this colloquy in the record, and whatever additional documentation Mr. Moore would give us, we would be very glad and grateful for it.

(The following documents were subsequently supplied for the record by Representative Moorhead and Mr. Moore:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., August 3, 1972.

Re Bureau of Labor Statistics on Black Unemployment.
Memorandum for: Congressman William Moorhead.
From: Congressman Parren Mitchell.

The attached correspondence dated February 29, 1972, News Release dated February 9, 1972, and correspondence from the U.S. Department of Labor are self-explanatory.

Briefly the facts are as follows:

(1) The Congressional Black Caucus asked for data on the unemployment statistics among Blacks in the Nation's ten largest metropolitan areas.

(2) The Secretary of Labor responded almost three months later giving a general series of references as to where the data requested could be found.

(3) Staff sought to retrieve data from the sources alluded to in the Secretary of Labor's letter but found that the statistical data requested was not contained in these sources.

(4) Contact within the Bureau of Labor Statistics has leaked information pointing out that if the data requested by the Congressional Black Caucus was released it might cause chaos because the rate of unemployment for Blacks in the ten largest metropolitan areas is astronomically high.

It is our impression in the Caucus that information is being withheld from the public and that the Secretary's response in essence became nothing more than a vehicle to attempt to promote "the good work of the Administration in the area of minority employment."

NEWS RELEASE

CONGRESSIONAL BLACK CAUCUS,
REPRESENTATIVE LOUIS STOKES, CHAIRMAN,
Washington, D.C., February 29, 1972.

Contact: Representative Augustus F. Hawkins, Member, House Education and Labor Committee.

Howard T. Robinson, Executive Director, Congressional Black Caucus.

Waymon S. Wright, Information and Public Relations Officer.

FOR IMMEDIATE RELEASE

CONGRESSIONAL BLACK CAUCUS POSITION ON NATION'S UNEMPLOYMENT

The Nixon Administration is falsifying the seriousness of the unemployment crisis and particularly conditions among the poor and Blacks, according to the Congressional Black Caucus. The full statement follows:

Current statistics regarding unemployment are being manipulated in such a way that they evade the seriousness of the problem, and avoid emergency action long overdue in meeting an unbearable crisis facing Blacks and other minorities.

A year ago we presented to the President our views on the alarming crisis building up in the inner cities and low-income areas. Since then conditions have deteriorated and our recommendations have been unheeded.

The Administration policies have:

- deliberately created more unemployment and welfare recipients
- sabotaged equal employment legislation; and
- aroused racial and ethnic antagonism among the victims of a stagnant and decreasing-job-opportunities economy

The Congressional Black Caucus calls on the Department of Labor to reveal the real employment situation in the United States today. We demand that the American public be given the essential and unaltered facts on employment. The Congressional Black Caucus asks not for the political game plays, but for recognition of the problems and immediate delivery of jobs.

It is the position of the Congressional Black Caucus that the unemployment of Blacks and other minorities, the exploitation of women, and the neglect of the urban and rural poor should receive the primary attention and thrust for eliminating unemployment and unequal opportunities. Currently, only the national aver-

age rate of unemployment is being emphasized by statisticians of the Nixon Administration, distorting the seriousness of the problem.

While the national average rate of unemployment is 6 percent, this rate is misleading if the Administration is permitted to overlook or gloss over the fact that unemployment is approaching 11-12 percent among Blacks. Further, the statistics do not reflect the real problems of underemployment, hidden unemployment, and marginal employment of Blacks. We feel that the burden of unemployment should be shared equally as long as this is the national policy to fight inflation but preferably we believe that "forced unemployment" is not in the national interest and should be replaced by a policy of full employment with all groups being benefited.

This concept of full employment insures that all segments of the population share equally in both sacrifices and opportunities, and that the quality of the jobs be considered as well as the number. Work at starvation wages is not the solution when we know it is possible, by reordering our national priorities, that our economy can provide jobs for all.

We call upon the Administration to release all available data collected by the Bureau of Labor Statistics concerning the level of unemployment status of the Black and the poor. If this data are not currently available to the Secretary of Labor we urge him to immediately direct the Bureau to undertake such a study and that findings from such a study be made available to the public within sixty days.

The Caucus further calls for a change in the policy and system of investigating and reporting the employment situation by the Administration.

The public has a right to know the real employment situation in the United States today. This question must be resolved in order to effectively strive toward full employment. The Congressional Black Caucus supports full employment as a national policy and this goal, if met, would mean an unemployment rate not in excess of 2.5 percent.

Achievement of this goal means at least 3 million new jobs must be generated by the immediate enactment of a public service employment program which would provide at least 700,000 employment opportunities in badly-needed public services. Besides increasing the gross national product and productivity of American workers, such a program would counteract inflationary pressures and meet badly-needed services in health, education, law enforcement, pollution control, and other areas.

FEBRUARY 29, 1972.

HON. JAMES D. HODGSON,
Secretary, Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: The Members of the Congressional Black Caucus are extremely disturbed over the present employment situation in this country. We are dismayed over apparent attempts to dilute the unemployment problem by omitting the factual data and we deplore even more the deliberate policies of creating more unemployment among Blacks and other minorities.

We are aware of the fact that the national average rate of unemployment is 6 percent; but, the national average does not reflect the soaring unemployment among Blacks which is approaching 11-12 percent. It does not reflect the fact that unemployment for Blacks in certain areas ranges between 15 and 40 percent.

While the Administration's figures deal with the national average, we are acutely aware of the fact that the disproportionately high rate of unemployment among Black and poor Americans has already reached a dangerously high level. We call upon the Department of Labor to furnish the latest Bureau of Labor Statistics data on the unemployment situation—among Blacks—in the nation's 10 largest metropolitan areas.

If such a study is not readily available, we urge the Department of Labor to instruct the Bureau of Labor Statistics to conduct such a study and to make its findings public within 60 days.

We then call upon you, Mr. Secretary, to take a personal role in assuring that the Black perspective is not undermined in regard to the employment problem. We must join together in a "jobs now" program that will generate at least 3 million new jobs in the immediate months ahead.

As you know, Blacks have never received a proportionate share of the prosperity of this country; therefore, we do not intend to continue to bear such a disproportionate share of the evils of unemployment.

We trust you will give the foregoing statement thought as we look forward to hearing from you in the very near future.

Sincerely,

CONGRESSIONAL BLACK CAUCUS,
LOUIS STOKES,
Chairman.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 9, 1972.

Hon. LOUIS STOKES,
*Chairman, Congressional Black Caucus,
Washington, D.C.*

DEAR CONGRESSMAN STOKES: Thank you for your letter of February 29 which provides me an opportunity to comment on the availability of statistics concerning the magnitude of black unemployment and on our efforts to reduce such unemployment.

In regard to your specific request for information concerning the nation's 10 largest metropolitan areas, the Bureau of Labor Statistics has since 1967 annually published labor force and unemployment data, by color, for the 20 largest metropolitan areas. This information is derived from the Current Population Survey, the same survey used to generate the official national estimates of employment and unemployment. I have enclosed our Report 388, which presents this data for 1970. Similar data for 1971 will be published by the Bureau of Labor Statistics shortly, and it will be sent to you as soon as it is available.

The President's latest Manpower Report transmitted to Congress last month provides (page 38 ff.) a definitive summary of black employment and unemployment during 1971 as well as comparisons with earlier years. Among other facts, you may note that while unemployment among black workers continued to edge upward during 1971, the ratio of Negro-to-white unemployment has remained below 2-to-1 since late 1969. I am enclosing a copy of this Report.

We continue to seek ways to collect and provide better information on the status of black Americans. As a reflection of this effort, I am enclosing a number of reports and articles that illustrate the range of recently available data. With regard to the enclosed U.S. summary of Employment Profiles of Selected Low-Income Areas (Census Employment Survey), I might add that similar reports were published this year for 60 individual urban areas and seven rural areas. On March 13 we released the enclosed chartbook, *Black Americans: A Decade of Occupational Change*.

I can assure you that the Department of Labor and the Administration are deeply concerned about the high incidence of joblessness among blacks and other minority groups. We have been continually striving to improve the employment situation for these groups. In addition to the Administration's current economic policy designed to improve the general employment situation in the nation, many programs have been instituted specifically to upgrade the economic status of minority groups. An example is the vigorous way in which we have pushed for the adoption of the so-called "Philadelphia Plan" in many areas of the country; voluntary area-wide construction industry plans have now been implemented in approximately 40 cities throughout the country by the development of "hometown" plans in those areas. I might add, further, that nearly a million youth 16-21 years of age were enrolled in Federal manpower programs during fiscal year 1971; over two-thirds of these enrollees were in the Neighborhood Youth Corps programs, holding jobs designed to provide much needed income and work experience for poor youth and to assist most of them to remain in school or return there the following fall. In fiscal 1971, blacks accounted for 55 percent of the 740,000 young people enrolled in the Neighborhood Youth Corps programs.

The Department of Labor and the Administration share your concern for job development and job training for black Americans. In the manpower field, we are vigorously pursuing programs that are aimed at alleviating black unemployment. For example, of the people hired through the initial one billion dollar expenditure under the Emergency Employment Act, three out of every 10 were unemployed or underemployed blacks. Minority participation in all manpower programs in 1969 was 668,000 and in 1971 total minority participation had grown to 927,000.

I hope that this information will be of assistance to you. Let me assure you that we will continue to do our utmost to improve the job situation among minority groups, as well as to provide relevant and high-quality data on this subject.

Sincerely,

J. D. HODGSON,
Secretary of Labor.

Enclosures.¹

RESPONSE OF HON. GEOFFREY H. MOORE TO POINTS RAISED BY CONGRESSMAN PARR-
REN MITCHELL IN AUGUST 3, 1972, MEMORANDUM TO CONGRESSMAN WILLIAM
MOORHEAD

I appreciate the opportunity to respond to the points raised by Congressman Parren Mitchell in his August 3 memorandum to Congressman Moorhead. Briefly, the facts are as follows:

(1) A published report was enclosed with the Secretary's letter of April 21. It contained the latest available data (for 1970) on black unemployment in the 10 largest metropolitan areas.

(2) A published report containing 1971 data, which had not been printed at the time the Secretary's letter was sent, was recently sent to Congressman Stokes, as promised. Regrettably, we had inadvertently failed to send it as soon as it was published.

(3) Detailed reports on the employment situation in 60 cities were published earlier this year. These reports contain a great deal of information on black unemployment in poverty neighborhoods. They were specifically referred to in the Secretary's letter, and a summary report was enclosed with the letter.

(4) No inquiry from Congressman Stokes' staff concerning the data he wished to obtain, other than his letter of February 29 to the Secretary, has come to my attention. All of the data that he requested, and which was sent to him, has been published. The attached table gives these data for the 20 largest metropolitan areas.

UNEMPLOYMENT RATES FOR NEGRO AND OTHER RACES IN 20 LARGE STANDARD METROPOLITAN STATISTICAL
AREAS (SMSA'S) AND THEIR CENTRAL CITIES, 1971 ANNUAL AVERAGES

| Area | SMSA | Central city |
|--------------------------------|------------------|------------------|
| New York..... | 7.7 | 7.8 |
| Los Angeles-Long Beach..... | 13.7 | 14.0 |
| Chicago..... | 9.0 | 8.3 |
| Philadelphia..... | 8.4 | 7.4 |
| Detroit..... | 13.9 | 14.2 |
| San Francisco-Oakland..... | 13.8 | 13.8 |
| Boston..... | 10.5 | (¹) |
| Washington, D.C..... | 3.8 | 4.2 |
| Pittsburgh..... | 11.7 | (¹) |
| St. Louis..... | 9.8 | 9.0 |
| Newark..... | 10.4 | (¹) |
| Cleveland..... | 16.1 | 18.2 |
| Baltimore..... | 9.4 | 9.7 |
| Minneapolis-St. Paul..... | (²) | (²) |
| Houston..... | 10.3 | 10.4 |
| Dallas..... | 7.6 | (³) |
| Patterson-Clifton-Passaic..... | (³) | (³) |
| Buffalo..... | (³) | (³) |
| Milwaukee..... | (³) | (³) |
| Cincinnati..... | (³) | (³) |

¹ Data not published for the Central City.

² Not shown where civilian labor force estimate is less than 50,000.

³ Not shown where unemployment estimate is less than 5,000.

Source: Geographic Profile of Employment and Unemployment, 1971 (BLS Report 402, 1972), table 6, pp. 18-22.

Chairman PROXMIRE. I just have a couple of additional questions. An array of administration officials have pointed with pleasure to the rise in real spendable earnings in recent months. You mentioned it, too, and I was surprised to learn of the real compensation

¹ Enclosures to the letter were not supplied for the record.

per man-hour in the second quarter of the private nonfarm economy. It seems to me to indicate that wage control is far more effective than price control, which is unfair to the worker. Real hourly earnings did not rise; did not rise in June. Spendable weekly earnings have gone up more rapidly, so in the statistical record the administration likes to talk about, that record is influenced by tax changes, hours worked, and compositions of the labor force. It seems to me that the quarterly compensation per man-hour theory is the more appropriate theory reflecting inflationary pressures of wages and the success of the wage-price control program. Do you agree on that?

Mr. MOORE. Well, it is, and it is not. It is the more comprehensive measure, the most comprehensive measure in terms of the economic coverage of any that we have on wages.

Chairman PROXMIRE. Now, you are talking about quarterly compensation per man-hour?

Mr. MOORE. Yes, sir. But, it does have its defects, and one of them is that it does not hold constant the mix of industries, a change in which can affect the behavior of both the price deflator and the compensation and, indeed, the productivity numbers as well.

Chairman PROXMIRE. Let me try to sharpen my question by putting it this way: Are there any special factors other than the control program which might help explain the slow growth of compensation per man-hour in the second quarter?

Mr. MOORE. Well, I would like to ask Mr. Mark to answer that question. I am not aware of any myself. But, I would like, if I might first, to continue my point about the merits.

Chairman PROXMIRE. Go ahead, and then we will have the response.

Mr. MOORE. Yes; we do have, on a monthly basis, a measure of hourly earnings that does adjust for these changes in the mix of industry; that is, the changes between high wage industries and low-wage industries, and their relative importance which can affect the average. This index holds the industry composition constant. It also eliminates overtime payments in manufacturing and that, of course, can affect earnings as well. So, we regard that monthly hourly earning index, at the present time, as our best measure on a monthly basis of wage developments. And that has shown in the last 6 months or so a rise somewhat larger than the hourly compensation figures.

Chairman PROXMIRE. Yes. But isn't that the figure which appears in your press release, and that shows that in constant dollars there was no increase, none, between June and May and that the June figure is the same as the second quarter of 1972, and that is hourly earnings, private nonfarm and constant dollars and there is no available figures that you have for us for July. So, on that basis, it would seem that there are just—the evidence seems clear that there was no increase in the constant dollars and hourly rates.

Mr. MOORE. Now, what press release are you referring to?

Chairman PROXMIRE. I am referring to your principal press release on the employment situation in July 1972, released at 9:30 a.m. this morning. You have a table, highlights of the employment situation, seasonally adjusted data. Now, we are talking about the very last item,

hourly earnings index, private, nonfarm and constant dollars. The May and June figures are both 109.7, which is less than the second quarter of 1972. Presumably, the April figure must have been higher; there is no available data for July of 1972, so that here there seems to be no evidence of any improvement in hourly earnings, constant dollars.

Mr. MOORE. Well, on a quarterly basis, there was an improvement. That is, if you compare the first—

Chairman PROXMIRE. Well, the second quarter is a little better than the first quarter, not a great deal, but what I am saying is the most recent figures we have, May and June, show no improvement, and we do not have any for July at all.

Mr. MOORE. Well, we do not have the Consumer Price Index for July yet. That is the reason.

Chairman PROXMIRE. Yes.

Mr. MOORE. But the current dollar figures, as you see immediately above, increased six-tenths of an index point between June and July, and unless the Consumer Price Index increases by that magnitude in July, there will be a further increase in real earnings.

Chairman PROXMIRE. That is right. And that constitutes a much larger increase than the almost insignificant increase between May and June.

Mr. MOORE. That is correct; yes.

Chairman PROXMIRE. Now, do you have any other special factors in the control program that would be responsible for holding down wages?

Mr. MARK. Not really, Senator, that I could point to except to mention in the first quarter there was a sharp acceleration in hourly compensation, with some falloff in this quarter from 8.7 percent in the first quarter to 4.7 percent in the second quarter. Because the corresponding change in the Consumer Price Index was not as great; in the first quarter the real compensation rose 5.1 percent for nonfarm, and in the second quarter the rate of gain dropped to 1.6 percent. But, I cannot find any special reason for it.

Chairman PROXMIRE. I would like to thank you for your prompt response to my questions on the manpower requirements for a billion dollars of different types of expenditure. I was frankly amazed to learn that the \$1 billion of defense purchases generates 57,000 jobs, while \$1 billion of expenditure on State and local education generates 104,000 jobs, almost double that in defense; and \$1 billion spent by State and local governments brings 101,000 jobs. You did caution in your letter¹ that these are average employment levels, and not incremental ones. While these data are useful for policymaking purposes, we would like to have an idea of how many jobs would be created by an additional \$1 billion of expenditure. Would it be possible for you to derive the marginal increase in employment by industry from the data that you have?

Mr. MOORE. Well, I believe the staff is working on that problem, and I think it is an important one. Whether it will be possible to derive

¹ See letter and additional correspondence beginning on p. 959.

reasonably adequate statistics on that basis, I do not know yet. But, I know they are—

Chairman PROXMIRE. Let me give an example and see if I can clarify in my own mind. Would an additional \$1 billion of spending produce more than 57,000 jobs or less? I know you cannot be precise, but what would be the direction of the change?

Mr. MOORE. Well, I cannot even be precise as to the direction.

Chairman PROXMIRE. How about education; can you give us any guess as to the incremental change?

Mr. MOORE. Well, I sort of have the feeling that the marginal changes or marginal effects would be smaller in general than the average.

Chairman PROXMIRE. But the direction could be, would be possibly similar; that is, less job stimulation from defense expenditures than from education expenditures?

Mr. MOORE. Well, that is getting a little bit too precise for me. It could well be, but I would have to think about it first.

Mr. Chairman, I did want to make one remark, if I might, about the question you raised at the last hearing about the objectivity of the BLS releases and, particularly, with respect to their opening statement.

Now, I have reviewed the last 12 months of our employment situation and releases, and I have it here, and if you have no objection, I would like to put this in the record.

A list of the opening statements is shown. I have three conclusions which are very brief which I would like to mention.

One is that the lead sentence in all of these releases nearly always referred explicitly to employment and unemployment. That was true in 9 of the last 12 months. In 2 months we referred to the employment situation being essentially unchanged, and in 1 month, last month, we referred only to the decline in unemployment while we covered the rise in employment in the second paragraph. That is the first conclusion.

The second conclusion is that the more substantial change, whether in employment or unemployment, and whether favorable or unfavorable, was always mentioned first. And this also occurred in 9 months, while in 3 months there was no distinction that we could make between which was more substantial, or which was more significant, and so I do not think it applied in those cases.

And, finally, the opening section of the release—that is, the first two or three paragraphs—has consistently described the unemployment data first and the employment data next, regardless of what the changes were, so that anyone willing to read those two or three paragraphs could get the full story as we see it.

Chairman PROXMIRE. Very good.

Well, I appreciate that very much. It is most helpful, and we will be happy to have that printed in full in the record.

Mr. MOORE. Thank you.

(The information referred to above for the record follows:)

LIST OF OPENING STATEMENTS IN EMPLOYMENT SITUATION RELEASES, BUREAU OF LABOR STATISTICS, JULY 1971-JUNE 1972

July 1971.—Employment rose in July, but not enough to offset the increase in the labor force, and the unemployment rate edged up.

August 1971.—Total employment and unemployment rose in August, as the labor force increased sharply, after allowance for the usual seasonal changes.

September 1971.—Employment rose substantially in September while unemployment remained virtually unchanged, after allowance for the usual seasonal movements.

October 1971.—Total employment continued to rise in October, and unemployment edged down.

November 1971.—Unemployment moved up in November but employment continued to gain and reached 80 million for the first time.

December 1971.—The employment situation was essentially unchanged in December.

January 1972.—Employment rose in January, while the unemployment rate was essentially unchanged.

February 1972.—Unemployment declined slightly in February, and employment was essentially unchanged.

March 1972.—Employment increased markedly in March while unemployment rose slightly.

April 1972.—The Nation's employment situation was essentially unchanged in April.

May 1972.—Employment rose in May while unemployment remained unchanged.

June 1972.—The Nation's unemployment rate dropped to 5.5 percent in June.

Chairman PROXMIRE. Thank you very much. The committee will stand adjourned.

(Whereupon, at 12:05 p.m., the committee was adjourned, subject to the call of the Chair.)

(The following information was subsequently supplied for the record:)

U.S. DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D.C., July 31, 1972.

HON. WILLIAM PROXMIRE,
Chairman, Joint Economic Committee,
Congress of the United States, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed you will find the data you requested on manpower requirements for selected types of demand. These data cover not only the direct employment requirements but also the indirect requirements to produce the goods and services required in the course of production of the final goods. They do not cover the multiplier and accelerator effects, i.e., those jobs which would be generated by the respending of wages and salaries of workers or the reinvestment of profits by businesses.

These manpower requirements are estimates of the number of jobs associated with each type of demand and cover wage and salary workers, self-employed and unpaid family workers. The manpower requirements have been adjusted to 1971 prices and productivity levels. To derive a manpower impact estimate for other years would, of course, require further adjustments for price and productivity. It should also be pointed out that these estimates are based on average, not incremental interindustry and productivity relationships. Therefore, strictly speaking, they relate to levels of demand expenditures, not changes in such expenditure categories.

If you have any further questions, please feel free to call on us.

Sincerely yours,

GEOFFREY H. MOORE,
Commissioner.

Enclosure.

Manpower requirements per billion dollars¹ of selected expenditures, 1971

[Thousands]

| | <i>Totals</i> |
|---|-------------------|
| Federal Government: | |
| Total Defense----- | ² 87.6 |
| Defense purchases from private economy----- | 56.8 |
| State and local government: | |
| Total State and local government----- | 100.7 |
| Purchases from private economy----- | 62.8 |
| State and local education----- | 103.7 |
| Purchases for education (excluding structures)----- | 109.8 |
| Construction activities: | |
| Education----- | 51.1 |
| Hospitals----- | 55.0 |
| Sewers----- | 49.7 |
| Highways----- | 56.4 |
| Single-family residential----- | 63.8 |
| Private non-residential buildings----- | 54.7 |
| Other private: | |
| Exports----- | 63.6 |
| Personal consumption expenditures----- | 70.7 |
| Producer durable equipment----- | 62.2 |

¹ 1971 prices.² Includes armed forces and civilian employment in the Department of Defense.

Source: Bureau of Labor Statistics, U.S. Department of Labor.

SEPTEMBER 15, 1972.

HON. GEOFFREY H. MOORE,
*Commissioner, Bureau of Labor Statistics,
 Department of Labor,
 Washington, D.C.*

DEAR DR. MOORE: I am writing in reference to the information you recently provided the Committee on the average number of jobs that are created by \$1 billion of expenditure in various sectors of the economy. I welcomed your letter last month which clarified the data with respect to total government purchases and government purchases from the private sector.

At present, I am specifically interested in more detailed data on defense purchases from the private sector. Overall private defense purchases produce 56.8 thousand jobs per billion dollars of expenditure. I understand that it would be possible for the Bureau of Labor Statistics to derive the job-creating potential per billion dollars of expenditures in selected industries that have a significant portion of their employment in defense-related production. For our purposes, these are industries where defense-related employment constituted at least 10 percent of total employment in 1968, as identified by a table appearing on p. 7 of the December, 1971 Monthly Labor Review.

These eight industries are ordinance and accessories, engines and turbines, machine shop products, radio, television and communications equipment, electronic components and accessories, aircraft and parts, other transportation equipment, and scientific and controlling instruments. I would appreciate data on the number of jobs created per billion dollars of expenditure in each of these industries; and a description of the types of defense products included in each of these categories.

I would welcome a reply at your earliest convenience. Thank you for your continued cooperation.

Sincerely,

WILLIAM PROXMIRE,
Chairman.

U.S. DEPARTMENT OF LABOR,
 BUREAU OF LABOR STATISTICS,
 Washington, D.C., October 4, 1972.

HON. WILLIAM PROXMIRE,
*Chairman, Joint Economic Committee,
 Congress of the United States,
 Washington, D.C.*

DEAR MR. CHAIRMAN: In answer to your request of September 15, I am providing our latest estimates of the number of job opportunities created in all indus-

tries if a billion dollars were spent in 1971 on the final purchases of each of the specified defense related industries.

These estimates are consistent with the aggregate estimates sent to the committee earlier. The general range of these estimates is from 60-75,000 jobs per billion. The two electronic sectors show considerably higher job impacts but these are not provided because the price data we have in these areas are for civilian goods only and it is not clear how relevant they are for military electronics items. Both the aggregate and the industry estimates will be revised within the next few months to incorporate more recent information on productivity and price changes.

The industry employment estimates provided are subject to the same general qualifications indicated in the earlier transmittals of aggregate manpower requirements. In addition, it should be pointed out that the estimates are based on average input-output and productivity relationships for the composite of products for each industry, covering civilian as well as military-end items. To the extent that the direct and indirect material and labor requirements for military-end items must meet higher specifications or involve more highly skilled (and higher paid manpower) compared to civilian products, then the resulting estimates of employment requirements may be somewhat overstated.

The employment estimates, of course, include both the direct and indirect employment requirements. In this connection, it should be noted that the defense employment levels which led to your selection of these eight industries include the employment generated in these industries by purchases from other industries producing military-end products. For example, the relatively high proportion of machine shop employment required by defense was largely generated by defense purchases from industries other than machine shops but which generated indirect demand for machine shop products.

If your committee requires any further data in this area, we will be happy to provide it.

Sincerely yours,

GEOFFREY H. MOORE,
Commissioner.

Enclosures.

Manpower requirements per billion dollars of purchases in selected industries, 1971

| | [Thousands] |
|--|-------------|
| Ordnance | 60.2 |
| Engines and turbines..... | 60.5 |
| Machine shop products..... | 64.6 |
| Communications equipment..... | (1) |
| Electronic components..... | (1) |
| Aircraft and parts..... | 63.5 |
| Other transportation equipment..... | 74.9 |
| Professional and scientific instruments..... | 66.8 |

¹ See discussion in letter.

Defense Purchases Included in Selected Industries

Ordnance—Ammunition, guns, missiles, tanks, and fire control equipment.

Engines and turbines—Marine engines, internal combustion engines other than automotive and aircraft, steam and gas turbines and generator units.

Machine shop products—Specialized parts required for a variety of military products.

Communication equipment—Communications, detection, navigational and guidance equipment.

Electronic components—Electron tubes, circuit boards and magnetic tape.

Aircraft and parts—Completed aircraft, engines and aircraft and missile parts.

Other transportation equipment—Principally ship construction, modifications and overhaul; with small amounts of railroad and miscellaneous transportation equipment.

Professional and scientific instruments—Principally aircraft instruments, some medical and dental instruments.

CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, SEPTEMBER 1, 1972

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 11 a.m., in room 1202, New Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senator Proxmire.

Also present: Loughlin F. McHugh, senior economist; Courtenay M. Slater, economist; and Lucy A. Falcone and Jerry J. Jasinowski, research economists.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

Today the Joint Economic Committee holds its regular monthly hearing on the employment-unemployment situation. The last 3½ years of the Nixon administration have witnessed a sharp rise in unemployment from 3.4 percent to a maximum at one time of 6.1 percent. Since then, the unemployment has moderated somewhat but disappointingly little; it is down to 5.6 percent, I understand right now. It was 5.5 percent in June and July. This is a recession level. It means that close to 5 million Americans are out of work, 2 million more than when the President took office.

I think it is especially discouraging to us when we recognize the general assumption that the economy is improving and there are some very good statistics. We are happy to see that productivity has improved, that profits are up, that production has increased. All these are encouraging and indicate a healthy situation, but somehow the stubborn basic, fundamental index of the utilization of resources in our economy, the unemployment figure, especially human resources, just does not improve.

And I am also discouraged by the fact that the administration seems to have backed away from a 4 percent unemployment goal. They do not seem to be willing to set any specific target to shoot at, let alone develop policies to achieve a lower level.

Mr. Commissioner, there are some interesting elements in this unemployment figure this morning and I am looking forward to your comments. We have some series of questions on it, so go right ahead.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; AND NORMAN SAMUELS, ASSISTANT COMMISSIONER FOR WAGES AND INDUSTRIAL RELATIONS

Mr. MOORE. Thank you, Mr. Chairman.

I, as usual, would like to put the press release on the employment situation in the record and also the table on measures of price and wage changes during the stabilization program that I have brought up to date.

Chairman PROXMIRE. The table on what?

Mr. MOORE. Measures of price and wage changes during the stabilization program which I have been using at these hearings for a number of months now.

Chairman PROXMIRE. To show the progress while the stabilization program was on as compared to what it was before and so forth?

Mr. MOORE. Yes, sir.

Chairman PROXMIRE. Fine. They will be placed in the record at this point.

(The press release and table follow :)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-602, Sept. 1, 1972]

THE EMPLOYMENT SITUATION : AUGUST 1972

Employment rose substantially in August while unemployment was basically unchanged, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The unemployment rate was 5.6 percent in August, compared with 5.5 percent in both June and July and about 6 percent a year ago.

Total employment expanded 290,000 to 82.0 million between July and August, continuing the strong growth evident since mid-1971; over the past year, total employment has increased by 2.6 million. Nonfarm payroll employment also rose substantially in August.

UNEMPLOYMENT

The number of unemployed persons totaled 4.9 million in August, down 300,000 from July. This decline was about in line with the expected seasonal change after adjustment for seasonality, the level of unemployment was essentially unchanged from July.

The unemployment rate was 5.6 percent in August, about the same as in June and July (5.5 percent) but half a percentage point below a year ago. The unemployment rates for most of the major age-sex-color groups also showed little or no change for the second consecutive month. The rate for adult men (3.9 percent), adult women (5.5 percent), whites (5.1 percent), and Negroes (9.7 percent) have been essentially unchanged since June. The unemployment rates for married men (2.6 percent) and household heads (3.3 percent) held steady over the month but were lower than in June and a year ago. In contrast, the jobless rate for teenagers rose from 14.8 percent in July to 16.9 percent in August; most of the increase was among 16 and 17 year-olds. Compared with a year ago, the jobless rate was down for all of the above groups with the exception of Negroes and teenagers, whose rates were about unchanged.

The unemployment rates for workers in most occupational categories were also unchanged over the month; however, the jobless rate for nonfarm laborers, which was at a one-year low in June and July, rose to the May level of 10.9 percent. Among the major industry groups, the unemployment rate for workers in the durable goods manufacturing industries dropped from 5.7 percent in July to 5.0 percent in August, its lowest point since May 1970. Jobless rates for workers in the other industries were about unchanged from July.

The rate for workers covered by State unemployment insurance programs moved down from 3.8 percent in July (as revised) to 3.4 percent in August, reaching its lowest level since the beginning of the year.

The average (mean) duration of unemployment was 12.1 weeks in August, little different from the July level of 11.8 weeks but well below the unusually high June level of 13.5 weeks. The average duration was nearly half a week longer than last August.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | August 1972 | July 1972 | June 1972 | 2d quarter, 1972 | 1st quarter, 1972 | 4th quarter, 1971 | 3d quarter, 1971 | 2d quarter, 1971 |
|--|----------------|--------------|--------------|------------------------|-------------------------|-------------------------|------------------------|------------------------|
| Civilian labor force ¹ (millions of persons)..... | 86.9 | 86.5 | 86.4 | 86.4 | 85.9 | 85.0 | 84.2 | 83.7 |
| Total employment ¹ | 82.0 | 81.7 | 81.7 | 81.4 | 80.8 | 80.0 | 79.2 | 78.7 |
| Adult men..... | 47.1 | 47.0 | 46.9 | 46.7 | 46.4 | 46.1 | 45.9 | 45.7 |
| Adult women..... | 28.3 | 28.1 | 28.0 | 27.9 | 27.9 | 27.5 | 27.1 | 26.9 |
| Teenagers..... | 6.6 | 6.6 | 6.7 | 6.8 | 6.6 | 6.3 | 6.2 | 6.1 |
| Unemployment..... | 4.9 | 4.8 | 4.7 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Unemployment rates (percent of labor force): | | | | | | | | |
| All workers..... | 5.6 | 5.5 | 5.5 | 5.7 | 5.8 | 5.9 | 6.0 | 6.0 |
| Adult men..... | 3.9 | 3.9 | 4.0 | 4.2 | 4.1 | 4.3 | 4.4 | 4.4 |
| Adult women..... | 5.5 | 5.7 | 5.5 | 5.6 | 5.3 | 5.7 | 5.7 | 5.8 |
| Teenagers..... | 16.9 | 14.8 | 14.5 | 15.8 | 18.2 | 16.9 | 16.8 | 16.9 |
| White..... | 5.1 | 5.0 | 5.0 | 5.3 | 5.3 | 5.4 | 5.5 | 5.5 |
| Negro and other races... | 9.7 | 9.9 | 9.4 | 9.9 | 10.6 | 10.1 | 10.1 | 9.9 |
| Household heads..... | 3.3 | 3.3 | 3.6 | 3.5 | 3.4 | 3.6 | 3.7 | 3.7 |
| Married men..... | 2.6 | 2.7 | 2.9 | 2.9 | 2.9 | 3.2 | 3.2 | 3.2 |
| Full-time workers..... | 5.1 | 5.1 | 5.0 | 5.3 | 5.4 | 5.6 | 5.5 | 5.5 |
| State insured ² | 3.4 | 3.8 | 3.6 | 3.6 | 3.5 | 4.2 | 4.2 | 4.1 |
| Average duration of unemployment (weeks)..... | 12.1 | 11.8 | 13.5 | 12.8 | 12.2 | 11.9 | 11.7 | 11.7 |
| Nonfarm payroll employment (millions of persons)..... | 4 72.9 | 4 72.6 | 72.6 | 72.5 | 71.8 | 71.0 | 70.6 | 70.7 |
| Goods-producing industries..... | 4 22.8 | 4 22.7 | 22.8 | 22.8 | 22.6 | 22.4 | 22.4 | 22.5 |
| Service-producing industries..... | 4 50.1 | 4 49.9 | 49.8 | 49.7 | 49.2 | 48.6 | 48.3 | 48.1 |
| Average weekly hours (hours of work): | | | | | | | | |
| Total private nonfarm... | 4 37.2 | 4 37.2 | 37.2 | 37.2 | 37.1 | 37.1 | 36.8 | 37.0 |
| Manufacturing..... | 4 40.7 | 4 40.6 | 40.6 | 40.6 | 40.3 | 40.1 | 39.8 | 39.9 |
| Manufacturing overtime... | 4 3.4 | 4 3.4 | 3.4 | 3.5 | 3.1 | 3.0 | 2.9 | 2.9 |
| Hourly earnings index, private nonfarm (1967=100): | | | | | | | | |
| In current dollars..... | 4 138.2 | 4 137.7 | 136.9 | 136.8 | 134.9 | 132.2 | 130.7 | 128.8 |
| In constant dollars..... | (5) | 4 109.9 | 109.7 | 109.8 | 108.9 | 107.7 | 107.2 | 106.7 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

² For calculation of this rate, see table A-3, footnote 2.

³ Revised.

⁴ Preliminary.

⁵ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

CIVILIAN LABOR FORCE AND TOTAL EMPLOYMENT

After exhibiting little growth from March to July, the civilian labor force rose 390,000, seasonally adjusted, in August to 86.9 million. The increase was about equally distributed among adult women and teenagers. The total number employed rose 290,000 to 82.0 million (seasonally adjusted) between July and August, following no gain between June and July. Virtually the entire increase in employment occurred among adult women working part time.

Compared with August a year ago, total employment was up 2.6 million (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972). Adult men have accounted for 1.1 million of this increase, adult women for 1.0 million, and teenagers for 500,000. The number of whites with jobs increased by 2.4 million (3.3 percent). Over the same period, employment among Negroes rose 200,000 (2.3 percent). About 85 percent of the total over-the-year gain was among full-time workers.

VIETNAM ERA VETERANS

The job situation for Vietnam Era veterans 20 to 29 years old was little changed in August, with both the employment and unemployment levels remaining stable after seasonal adjustment. The August unemployment rate was 7.7 percent, seasonally adjusted, compared with 7.3 percent in July, but down from 9.3 percent a year ago.

Over the year, the veteran labor force rose by 440,000, in line with the net increase in their population. All of the gain was in the number employed. Since early this year, growth in the 20-29 year-old veteran population has slowed considerably, reflecting a decline in the number of young men being discharged from military service and an increase in the number of veterans reaching age 30.

The seasonally adjusted unemployment rate for nonveterans, at 6.2 percent in August, was also not materially different from July but, as with the rate for veterans, was below its year-ago rate (of 8.0 percent)

INDUSTRY PAYROLL EMPLOYMENT

Nonagricultural payroll employment rose substantially in August, after showing little change in the previous 2 months. At 72.9 million, seasonally adjusted, the number of workers on nonfarm payrolls was up 280,000 from July.

The July-to-August gain in payroll jobs was about equally divided between the goods-producing and the service-producing industries. Compared with August a year ago, nonfarm payroll employment was up 2.3 million, with the goods- and the service-producing industries accounting for 500,000 and 1.8 million of the gain, respectively.

Among the goods-producing industries, the August employment gain was partly a reflection of reduced strike activity and of a resumption of more normal operations in the areas affected by tropical storm Agnes. Within the goods sector, the number of manufacturing jobs increased by 85,000, seasonally adjusted. The increase returned manufacturing employment to the June level of 19.0 million and was about evenly divided between the durable-goods and the nondurable-goods sectors. The largest gains occurred in the machinery, apparel, and leather industries.

The number of workers on contract construction payrolls rose by 50,000, seasonally adjusted, after posting a decline of 70,000 in July. The August gain was attributable to the return to payrolls of workers who had been on strike in the previous month.

In the service-producing sector, employment continued to rise, primarily reflecting sizeable employment gains in trade, services, and State and local government.

HOURS OF WORK

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls remained at 37.2 hours in August, on a seasonally adjusted basis. Average hours, which have held fairly steady since late 1971, were 0.3 hour above last August. There were also essentially no changes in weekly hours in the major industry divisions. In manufacturing, the workweek stood at 40.7 hours, little different from the July level but 0.9 hour above August 1971. Average overtime in manufacturing was 3.4 hours in August, the same level as in the previous 3 months.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of rank-and-file workers on private nonagricultural payrolls increased 2 cents to \$3.64 in August. On a seasonally adjusted basis, earnings were up by 3 cents. Over the year, earnings have risen 19 cents or 5.5 percent.

The 2-cent increase in hourly earnings, coupled with a small rise in weekly hours (unadjusted), raised average weekly earnings to \$137.23. This represented an increase of \$1.12 from July, both before and after seasonal adjustment.

Average weekly earnings have risen \$8.20 or 6.4 percent since last August. During the latest 12-month period for which the Consumer Price Index is available—July 1971 to July 1972—consumer prices rose 3.0 percent.

HOURLY EARNINGS INDEX

The Bureau's Hourly Earnings Index, seasonally adjusted, was 138.2 (1967=100) in August, 0.4 percent higher than in July, according to preliminary figures. The index was 5.6 percent above August a year ago, the start of the stabilization program. (See table B-4.) This compares with an increase of 6.9 percent from August 1970 to August 1971. All industries posted over-the-year increases, ranging from 3.5 percent in services to 10.6 percent in transportation and public utilities. During the first year of the stabilization period, there was a marked decline in the rate of increase in the Index in the construction, service, and finance, insurance and real estate industries. Only in transportation and public utilities was there an acceleration in the rate of increase compared with the prior 12-month period.

Despite the lower rate of increase in the Index in current dollars, the increases in wages substantially outweighed the rise in consumer prices. During the 12-month period ending in July, the Hourly Earnings Index in dollars of constant purchasing power rose 2.8 percent, compared with a 2.5 percent increase for the year ending July 1971.

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

NOTE.—Figures for periods prior to January 1972 in the tables and charts are not strictly comparable with current data because of the introduction of 1970 Census data into the estimation procedures. For example, the civilian labor force and employment totals were raised by more than 300,000 as a result of the Census adjustment. An explanation of the changes and an indication of the differences appear in "Revisions in the Current Population Survey" in the February 1972 issues of "Employment and Earnings."

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

[In thousands]

| Employment status, age, and sex | August 1972 | July 1972 | August 1971 | Seasonally adjusted | | | | |
|---|----------------|--------------|----------------|---------------------|--------------|--------------|-------------|---------------|
| | | | | August 1972 | July 1972 | June 1972 | May 1972 | April 1972 |
| Total | | | | | | | | |
| Total labor force..... | 90,758 | 91,005 | 88,453 | 89,256 | 88,855 | 88,788 | 88,905 | 88,747 |
| Civilian labor force..... | 88,362 | 88,617 | 85,678 | 86,860 | 86,467 | 86,395 | 86,486 | 86,284 |
| Employed..... | 83,505 | 83,443 | 80,618 | 81,973 | 81,683 | 81,667 | 81,394 | 81,205 |
| Agriculture..... | 4,031 | 4,061 | 3,764 | 3,625 | 3,445 | 3,337 | 3,353 | 3,324 |
| Nonagricultural industries..... | 79,475 | 79,383 | 76,853 | 78,348 | 78,237 | 78,330 | 78,041 | 77,881 |
| On part time for eco- nomic reasons..... | 3,117 | 3,174 | 3,014 | 2,488 | 2,509 | 2,521 | 2,421 | 2,558 |
| Usually work full time..... | 1,190 | 1,034 | 1,262 | 1,082 | 1,085 | 1,022 | 1,102 | 1,131 |
| Usually work part time..... | 1,927 | 2,140 | 1,752 | 1,406 | 1,424 | 1,499 | 1,319 | 1,427 |
| Unemployed..... | 4,857 | 5,173 | 5,061 | 4,887 | 4,785 | 4,728 | 5,092 | 5,079 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 49,388 | 49,422 | 48,454 | 48,954 | 48,961 | 48,882 | 48,700 | 48,614 |
| Employed..... | 47,649 | 47,574 | 46,465 | 47,063 | 47,032 | 46,919 | 46,628 | 46,541 |
| Agriculture..... | 2,647 | 2,660 | 2,556 | 2,550 | 2,474 | 2,437 | 2,404 | 2,370 |
| Nonagricultural industries..... | 45,003 | 44,914 | 43,909 | 44,513 | 44,558 | 44,482 | 44,224 | 44,171 |
| Unemployed..... | 1,738 | 1,848 | 1,989 | 1,891 | 1,929 | 1,963 | 2,072 | 2,073 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 29,288 | 29,018 | 28,154 | 29,990 | 29,789 | 29,675 | 29,625 | 29,508 |
| Employed..... | 27,516 | 27,317 | 26,355 | 28,334 | 28,078 | 28,029 | 27,883 | 27,913 |
| Agriculture..... | 673 | 703 | 605 | 604 | 556 | 496 | 551 | 563 |
| Nonagricultural industries..... | 26,843 | 26,614 | 25,750 | 27,730 | 27,522 | 27,533 | 27,332 | 27,350 |
| Unemployed..... | 1,772 | 1,701 | 1,800 | 1,656 | 1,711 | 1,628 | 1,742 | 1,595 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 9,687 | 10,177 | 9,070 | 7,916 | 7,717 | 7,856 | 8,161 | 8,162 |
| Employed..... | 8,340 | 8,553 | 7,798 | 6,576 | 6,752 | 6,719 | 6,883 | 6,751 |
| Agriculture..... | 711 | 698 | 604 | 471 | 415 | 404 | 398 | 391 |
| Nonagricultural industries..... | 7,629 | 7,855 | 7,194 | 6,105 | 6,157 | 6,315 | 6,485 | 6,360 |
| Unemployed..... | 1,347 | 1,624 | 1,722 | 1,340 | 1,145 | 1,137 | 1,278 | 1,411 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE, BY SEX AND AGE

[Numbers in thousands]

| Full- and part-time employment status, sex, and age | August 1972 | August 1971 | Seasonally adjusted | | | | | |
|---|----------------|----------------|---------------------|--------------|--------------|-------------|---------------|----------------|
| | | | August 1972 | July 1972 | June 1972 | May 1972 | April 1972 | August 1971 |
| FULL TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 78,062 | 75,817 | 74,201 | 74,218 | 74,333 | 74,032 | 73,691 | 72,218 |
| Employed..... | 74,160 | 71,715 | 70,423 | 70,437 | 70,643 | 69,918 | 69,725 | 68,209 |
| Unemployed..... | 3,902 | 4,102 | 3,778 | 3,781 | 3,690 | 4,114 | 3,966 | 4,009 |
| Unemployment rate..... | 5.0 | 5.4 | 5.1 | 5.1 | 5.0 | 5.6 | 5.4 | 5.6 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 47,306 | 47,416 | 46,539 | 46,588 | 46,504 | 46,330 | 46,199 | 45,693 |
| Employed..... | 45,697 | 44,542 | 44,801 | 44,821 | 44,745 | 44,441 | 44,330 | 43,669 |
| Unemployed..... | 1,609 | 1,874 | 1,738 | 1,767 | 1,759 | 1,889 | 1,869 | 2,024 |
| Unemployment rate..... | 3.4 | 4.0 | 3.7 | 3.8 | 3.8 | 4.1 | 4.0 | 4.4 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 23,625 | 22,782 | 23,433 | 23,477 | 23,483 | 23,292 | 23,145 | 22,595 |
| Employed..... | 22,185 | 21,360 | 22,119 | 22,093 | 22,180 | 21,828 | 21,896 | 21,296 |
| Unemployed..... | 1,439 | 1,422 | 1,314 | 1,384 | 1,303 | 1,464 | 1,249 | 1,299 |
| Unemployment rate..... | 6.1 | 6.2 | 5.6 | 5.9 | 5.5 | 6.3 | 5.4 | 5.7 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 10,300 | 9,861 | 12,759 | 12,208 | 11,867 | 12,406 | 12,466 | 12,211 |
| Employed..... | 9,345 | 8,902 | 11,630 | 11,211 | 10,825 | 11,403 | 11,369 | 11,086 |
| Unemployed..... | 955 | 959 | 1,129 | 997 | 1,042 | 1,003 | 1,097 | 1,125 |
| Unemployment rate..... | 9.3 | 9.7 | 8.8 | 8.2 | 8.8 | 8.1 | 8.8 | 9.2 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

(Persons 16 years and over)

| Selected categories | Thousands of persons unemployed | | Seasonally adjusted rates of unemployment | | | | | |
|--|---------------------------------|-------------|---|------------------|-----------|----------|------------|-------------|
| | August 1972 | August 1971 | August 1972 | July 1972 | June 1972 | May 1972 | April 1972 | August 1971 |
| Total (all civilian workers)..... | 4,857 | 5,061 | 5.6 | 5.5 | 5.5 | 5.9 | 5.9 | 6.1 |
| Men, 20 years and over..... | 1,738 | 1,989 | 3.9 | 3.9 | 4.0 | 4.3 | 4.3 | 4.5 |
| Women, 20 years and over..... | 1,772 | 1,800 | 5.5 | 5.7 | 5.5 | 5.9 | 5.4 | 5.8 |
| Both sexes 16 to 19 years..... | 1,347 | 1,272 | 16.9 | 14.8 | 14.5 | 15.7 | 17.3 | 17.1 |
| White..... | 3,894 | 4,104 | 5.1 | 5.0 | 5.0 | 5.3 | 5.4 | 5.6 |
| Negro and other races..... | 963 | 956 | 9.7 | 9.9 | 9.4 | 10.7 | 9.6 | 9.9 |
| Household heads..... | 1,567 | 1,754 | 3.3 | 3.3 | 3.6 | 3.6 | 3.4 | 3.8 |
| Married men..... | 945 | 1,112 | 2.6 | 2.7 | 2.9 | 2.9 | 2.9 | 3.6 |
| Full-time workers..... | 3,902 | 4,102 | 5.1 | 5.1 | 5.0 | 5.6 | 5.4 | 5.6 |
| Part-time workers..... | 955 | 959 | 8.8 | 8.2 | 8.8 | 8.1 | 8.8 | 9.2 |
| Unemployed 15 weeks and over ¹ | 988 | 1,074 | 1.4 | 1.3 | 1.3 | 1.4 | 1.3 | 1.5 |
| State insured ² | 1,805 | 1,985 | 3.4 | ³ 3.8 | 3.6 | 3.7 | 3.6 | 4.2 |
| Labor force time last ⁴ | | | 6.2 | 6.0 | 5.5 | 6.3 | 6.3 | 6.5 |
| OCCUPATION⁵ | | | | | | | | |
| White-collar workers..... | 1,507 | 1,487 | 3.5 | 3.4 | 3.1 | 3.6 | 3.4 | 3.5 |
| Professional and technical..... | 362 | 448 | 2.4 | 2.5 | 1.9 | 2.4 | 2.3 | 3.0 |
| Managers and administrators, except farm..... | 154 | 130 | 1.8 | 1.9 | 1.4 | 1.5 | 1.8 | 1.4 |
| Sales workers..... | 239 | 206 | 4.8 | 4.3 | 4.0 | 4.5 | 3.7 | 4.4 |
| Clerical workers..... | 752 | 703 | 4.9 | 4.6 | 4.8 | 5.3 | 4.9 | 4.9 |
| Blue-collar workers..... | 1,786 | 1,990 | 6.5 | 6.4 | 6.4 | 6.8 | 6.8 | 7.5 |
| Craftsmen and kindred workers..... | 403 | 463 | 4.4 | 4.3 | 4.5 | 4.7 | 4.4 | 5.3 |
| Operatives..... | 928 | 1,113 | 6.7 | 7.1 | 6.8 | 7.1 | 7.4 | 8.3 |
| Nonfarm laborers..... | 456 | 414 | 10.9 | 9.3 | 9.5 | 10.9 | 10.7 | 10.6 |
| Service workers..... | 746 | 755 | 6.3 | 6.6 | 5.7 | 6.1 | 6.3 | 6.5 |
| Farm workers..... | 86 | 87 | 2.7 | 2.2 | 2.6 | 3.0 | 2.2 | 2.7 |
| INDUSTRY⁵ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁶ | 3,467 | 3,650 | 5.8 | 5.8 | 5.5 | 6.0 | 5.9 | 6.2 |
| Construction..... | 371 | 301 | 11.6 | 10.9 | 9.5 | 12.5 | 10.6 | 9.9 |
| Manufacturing..... | 1,086 | 1,394 | 5.4 | 5.7 | 5.6 | 6.0 | 5.8 | 6.8 |
| Durable goods..... | 610 | 853 | 5.0 | 5.7 | 5.7 | 6.3 | 5.8 | 6.9 |
| Nondurable goods..... | 476 | 541 | 6.0 | 5.6 | 5.5 | 5.7 | 5.9 | 6.8 |
| Transportation and public utilities..... | 165 | 138 | 3.8 | 3.6 | 3.1 | 3.5 | 3.7 | 3.3 |
| Wholesale and retail trade..... | 983 | 884 | 6.6 | 6.5 | 6.5 | 6.3 | 6.2 | 6.3 |
| Finance and service industries..... | 844 | 907 | 4.7 | 4.6 | 4.2 | 5.0 | 5.1 | 5.3 |
| Government workers..... | 501 | 491 | 3.0 | 2.8 | 2.5 | 2.9 | 2.9 | 3.1 |
| Agricultural wage and salary workers..... | 90 | 109 | 6.5 | 6.0 | 7.5 | 8.8 | 6.0 | 8.8 |

¹ Unemployment rate calculated as a percent of civilian labor force² Insured unemployment under State programs—unemployment rate calculated as a percent of average covered employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.³ Revised.⁴ Man-hours lost by the unemployed and person on part time for economic reasons as a percent of potentially available labor force man-hours.⁵ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.⁶ Includes mining, not shown separately.

TABLE A-4.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT
[In thousands]

| Duration of unemployment | August 1972 | August 1971 | Seasonally adjusted | | | | | August 1971 |
|--|-------------|-------------|---------------------|-----------|-----------|----------|------------|-------------|
| | | | August 1972 | July 1972 | June 1972 | May 1972 | April 1972 | |
| Less than 5 weeks..... | 2,229 | 2,294 | 2,254 | 2,149 | 2,175 | 2,223 | 2,169 | 2,320 |
| 5 to 14 weeks..... | 1,640 | 1,693 | 1,505 | 1,478 | 1,437 | 1,514 | 1,521 | 1,553 |
| 15 weeks and over..... | 988 | 1,074 | 1,188 | 1,155 | 1,148 | 1,180 | 1,137 | 1,291 |
| 15 to 26 weeks..... | 453 | 527 | 644 | 658 | 594 | 587 | 482 | 735 |
| 27 weeks and over..... | 535 | 547 | 544 | 497 | 554 | 593 | 655 | 556 |
| Average (mean) duration, in weeks..... | 11.6 | 11.2 | 12.1 | 11.8 | 13.5 | 12.5 | 12.4 | 11.6 |

TABLE A-5.—UNEMPLOYED PERSONS BY REASON FOR UNEMPLOYMENT
[Numbers in thousands]

| Reason for unemployment | August 1972 | August 1971 | Seasonally adjusted | | | | | August 1971 |
|--|-------------|-------------|---------------------|-----------|-----------|----------|------------|-------------|
| | | | August 1972 | July 1972 | June 1972 | May 1972 | April 1972 | |
| NUMBER OF UNEMPLOYED | | | | | | | | |
| Lost last job..... | 2,006 | 2,199 | 2,244 | 2,093 | 2,210 | 2,199 | 2,040 | 2,460 |
| Left last job..... | 726 | 644 | 644 | 616 | 624 | 649 | 611 | 572 |
| Reentered labor force..... | 1,396 | 1,475 | 1,427 | 1,455 | 1,238 | 1,450 | 1,557 | 1,509 |
| Never worked before..... | 729 | 742 | 640 | 564 | 621 | 802 | 917 | 651 |
| PERCENT DISTRIBUTION | | | | | | | | |
| Total unemployed..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Lost last job..... | 41.3 | 43.5 | 45.3 | 44.3 | 47.1 | 43.0 | 39.8 | 47.4 |
| Left last job..... | 14.9 | 12.7 | 13.0 | 13.0 | 13.3 | 12.7 | 11.9 | 11.0 |
| Reentered labor force..... | 28.7 | 29.2 | 28.8 | 30.8 | 26.4 | 28.6 | 30.4 | 29.1 |
| Never worked before..... | 15.0 | 14.7 | 12.9 | 11.9 | 13.2 | 15.7 | 17.9 | 12.5 |
| UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE | | | | | | | | |
| Lost last job..... | 2.3 | 2.6 | 2.6 | 2.4 | 2.6 | 2.5 | 2.4 | 2.9 |
| Left last job..... | .8 | .8 | .7 | .7 | .7 | .8 | .7 | .7 |
| Reentered labor force..... | 1.6 | 1.7 | 1.6 | 1.7 | 1.4 | 1.7 | 1.8 | 1.8 |
| Never worked before..... | .8 | .9 | .7 | .7 | .7 | .9 | 1.1 | .8 |

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work | Seasonally adjusted unemployment rates | | | | | | |
|--|--------------------------------------|--------------|------------------------------------|--|-------------|------------|------------|------------|------------|-------------|
| | August 1972 | August 1971 | | August 1972 | August 1972 | July 1972 | June 1972 | May 1972 | April 1972 | August 1971 |
| | Total, 16 years and over..... | 4,857 | | 5,061 | 80.3 | 5.6 | 5.5 | 5.5 | 5.9 | 5.9 | 6.1 |
| 16 to 19 years..... | 1,347 | 1,272 | 63.3 | 16.9 | 14.8 | 14.5 | 15.7 | 17.3 | 17.1 | |
| 16 and 17 years..... | 684 | 605 | 46.8 | 20.5 | 16.5 | 16.5 | 16.6 | 19.1 | 19.5 | |
| 18 and 19 years..... | 663 | 667 | 80.4 | 14.0 | 13.5 | 12.9 | 15.8 | 15.5 | 15.0 | |
| 20 to 24 years..... | 1,121 | 1,171 | 88.0 | 9.0 | 9.8 | 8.7 | 9.9 | 10.0 | 10.0 | |
| 25 years and over..... | 2,389 | 2,618 | 86.3 | 3.6 | 3.7 | 3.9 | 3.9 | 3.8 | 4.1 | |
| 25 to 54 years..... | 1,915 | 2,162 | 88.6 | 3.7 | 3.8 | 4.0 | 4.0 | 3.8 | 4.2 | |
| 55 years and over..... | 475 | 456 | 76.8 | 3.7 | 3.4 | 3.6 | 3.6 | 3.6 | 3.5 | |
| Males, 16 years and over..... | 2,437 | 2,667 | 84.2 | 4.9 | 4.7 | 4.8 | 5.3 | 5.3 | 5.5 | |
| 16 to 19 years..... | 698 | 678 | 63.6 | 16.5 | 13.6 | 13.8 | 16.6 | 16.7 | 17.2 | |
| 16 and 17 years..... | 376 | 338 | 48.9 | 20.0 | 14.6 | 15.4 | 18.0 | 19.3 | 19.4 | |
| 18 and 19 years..... | 322 | 340 | 80.7 | 13.2 | 12.8 | 12.4 | 16.2 | 14.8 | 15.0 | |
| 20 to 24 years..... | 545 | 628 | 88.8 | 8.5 | 9.6 | 8.3 | 9.4 | 10.7 | 10.5 | |
| 25 years and over..... | 1,193 | 1,361 | 94.4 | 3.1 | 3.0 | 3.3 | 3.4 | 3.3 | 3.6 | |
| 25 to 54 years..... | 918 | 1,086 | 96.7 | 3.0 | 3.0 | 3.3 | 3.4 | 3.2 | 3.6 | |
| 55 years and over..... | 275 | 275 | 86.2 | 3.4 | 3.1 | 3.5 | 3.5 | 3.5 | 3.3 | |
| Females, 16 years and over..... | 2,420 | 2,394 | 76.4 | 6.8 | 6.9 | 6.5 | 6.8 | 6.8 | 7.0 | |
| 16 to 19 years..... | 648 | 594 | 63.1 | 17.5 | 16.4 | 15.4 | 14.6 | 18.0 | 16.9 | |
| 16 and 17 years..... | 308 | 267 | 44.2 | 21.3 | 18.9 | 18.1 | 14.8 | 19.0 | 19.5 | |
| 18 and 19 years..... | 341 | 327 | 80.1 | 14.9 | 14.4 | 13.5 | 15.3 | 16.4 | 15.1 | |
| 20 to 24 years..... | 576 | 543 | 87.3 | 9.5 | 10.1 | 9.2 | 10.6 | 9.0 | 9.4 | |
| 25 years and over..... | 1,196 | 1,257 | 78.3 | 4.6 | 4.8 | 4.8 | 4.8 | 4.6 | 5.0 | |
| 25 to 54 years..... | 997 | 1,076 | 81.1 | 4.8 | 5.1 | 5.1 | 5.0 | 4.9 | 5.4 | |
| 55 years and over..... | 199 | 182 | 63.8 | 4.3 | 4.0 | 3.8 | 3.8 | 3.6 | 3.8 | |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

(Numbers in thousands)

| Employment status | Aug. 1972 | July 1972 | Aug. 1971 | Seasonally adjusted | | | | | |
|---|--------------|--------------|--------------|---------------------|--------------|--------------|-------------|---------------|--------------|
| | | | | Aug. 1972 | July 1972 | June 1972 | May 1972 | April 1972 | Aug. 1971 |
| VETERANS | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ¹ | 4, 574 | 4, 551 | 4, 142 | 4, 574 | 4, 551 | 4, 529 | 4, 519 | 4, 498 | 4, 142 |
| Civilian labor force..... | 4, 293 | 4, 280 | 3, 855 | 4, 233 | 4, 206 | 4, 183 | 4, 196 | 4, 161 | 3, 805 |
| Employed..... | 3, 993 | 3, 979 | 3, 533 | 3, 905 | 3, 898 | 3, 881 | 3, 858 | 3, 804 | 3, 452 |
| Unemployed..... | 300 | 301 | 322 | 328 | 308 | 302 | 338 | 357 | 353 |
| Unemployment rate..... | 7.0 | 7.0 | 7.4 | 7.7 | 7.3 | 7.2 | 8.1 | 8.6 | 9.3 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population .. | 1, 913 | 1, 928 | 1, 971 | 1, 913 | 1, 928 | 1, 943 | 1, 970 | 1, 987 | 1, 971 |
| Civilian labor force..... | 1, 755 | 1, 787 | 1, 788 | 1, 739 | 1, 745 | 1, 775 | 1, 792 | 1, 810 | 1, 775 |
| Employed..... | 1, 573 | 1, 596 | 1, 590 | 1, 521 | 1, 559 | 1, 600 | 1, 608 | 1, 581 | 1, 538 |
| Unemployed..... | 182 | 191 | 198 | 218 | 186 | 175 | 184 | 229 | 237 |
| Unemployment rate..... | 10.4 | 10.7 | 11.1 | 12.5 | 10.7 | 9.9 | 10.3 | 12.7 | 13.4 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ¹ | 2, 661 | 2, 623 | 2, 171 | 2, 661 | 2, 623 | 2, 586 | 2, 549 | 2, 511 | 2, 171 |
| Civilian labor force..... | 2, 538 | 2, 493 | 2, 067 | 2, 494 | 2, 461 | 2, 408 | 2, 404 | 2, 351 | 2, 030 |
| Employed..... | 2, 420 | 2, 383 | 1, 943 | 2, 384 | 2, 339 | 2, 281 | 2, 250 | 2, 223 | 1, 914 |
| Unemployed..... | 118 | 110 | 124 | 110 | 122 | 127 | 154 | 128 | 116 |
| Unemployment rate..... | 4.6 | 4.4 | 6.0 | 4.4 | 5.0 | 5.3 | 6.4 | 5.4 | 5.7 |
| NONVETERANS | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ¹ | 10, 121 | 10, 085 | 9, 458 | 10, 121 | 10, 085 | 10, 036 | 9, 914 | 9, 840 | 9, 458 |
| Civilian labor force..... | 9, 186 | 9, 236 | 8, 569 | 8, 729 | 8, 715 | 8, 677 | 8, 555 | 8, 527 | 8, 174 |
| Employed..... | 8, 688 | 8, 635 | 7, 971 | 8, 187 | 8, 149 | 8, 110 | 7, 949 | 7, 875 | 7, 524 |
| Unemployed..... | 498 | 601 | 598 | 542 | 566 | 567 | 606 | 652 | 650 |
| Unemployment rate..... | 5.4 | 6.5 | 7.0 | 6.2 | 6.5 | 6.5 | 7.1 | 7.6 | 8.0 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ¹ | 6, 113 | 6, 086 | 5, 585 | 6, 113 | 6, 086 | 6, 065 | 5, 958 | 5, 918 | 5, 585 |
| Civilian labor force..... | 5, 366 | 5, 420 | 4, 878 | 4, 923 | 4, 909 | 4, 904 | 4, 808 | 4, 813 | 4, 494 |
| Employed..... | 5, 003 | 4, 960 | 4, 449 | 4, 524 | 4, 485 | 4, 512 | 4, 369 | 4, 332 | 4, 023 |
| Unemployed..... | 363 | 460 | 429 | 399 | 424 | 392 | 439 | 481 | 471 |
| Unemployment rate..... | 6.8 | 8.5 | 8.8 | 8.1 | 8.6 | 8.0 | 9.1 | 10.0 | 10.5 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ¹ | 4, 008 | 3, 999 | 3, 873 | 4, 008 | 3, 999 | 3, 971 | 3, 956 | 3, 922 | 3, 873 |
| Civilian labor force..... | 3, 820 | 3, 816 | 3, 691 | 3, 806 | 3, 806 | 3, 773 | 3, 747 | 3, 714 | 3, 680 |
| Employed..... | 3, 685 | 3, 675 | 3, 522 | 3, 663 | 3, 664 | 3, 598 | 3, 580 | 3, 543 | 3, 501 |
| Unemployed..... | 135 | 141 | 169 | 143 | 142 | 175 | 167 | 171 | 179 |
| Unemployment rate..... | 3.5 | 3.7 | 4.6 | 3.8 | 3.7 | 4.6 | 4.5 | 4.6 | 4.9 |

¹ Vietnam era veterans are those who served after Aug. 4, 1964; they are all classified as war veterans. 79 percent of the Vietnam era veterans of all ages are 20 to 29 years old. Post-Korean-peace-time veterans 20 to 29 years old are not included in this table.

² Since seasonal variations are not present in the population figures, identical numbers appear in the unadjusted and seasonally adjusted columns.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

(In thousands)

| Industry | August 1972 | July 1972 ¹ | June 1972 | August 1971 | Change from | | Seasonally adjusted | | | Change from July 1972 |
|---------------------------------------|-------------|------------------------|-----------|-------------|-------------|-------------|--------------------------|------------------------|-----------|-----------------------|
| | | | | | July 1972 | August 1971 | August 1972 ¹ | July 1972 ¹ | June 1972 | |
| Total..... | 72,831.0 | 72,407.0 | 73,345.0 | 70,542.0 | 424.0 | 2,289.0 | 72,817 | 72,592 | 72,630 | 279 |
| Goods producing..... | 23,301.0 | 22,787.0 | 23,160.0 | 22,785.0 | 514.0 | 516.0 | 22,821 | 22,689 | 22,844 | 132 |
| Mining..... | 610.0 | 613.0 | 612.0 | 625.0 | -3.0 | -15.0 | 595 | 597 | 598 | -2 |
| Contract construction..... | 3,517.0 | 3,425.0 | 3,406.0 | 3,509.0 | 92.0 | 8.0 | 3,227 | 3,177 | 3,247 | 50 |
| Manufacturing..... | 19,174.0 | 18,749.0 | 19,142.0 | 18,651.0 | 425.0 | 523.0 | 18,999 | 18,915 | 18,999 | 84 |
| Production workers..... | 14,024.0 | 13,616.0 | 14,006.0 | 13,524.0 | 408.0 | 500.0 | 13,892 | 13,818 | 13,886 | 74 |
| Durable goods..... | 10,865.0 | 10,704.0 | 10,965.0 | 10,485.0 | 163.0 | 382.0 | 10,887 | 10,849 | 10,866 | 38 |
| Production workers..... | 7,888.0 | 7,727.0 | 7,988.0 | 7,514.0 | 161.0 | 374.0 | 7,929 | 7,886 | 7,899 | 43 |
| Ordnance and accessories..... | 194.5 | 191.1 | 189.5 | 189.9 | 3.4 | 4.6 | 195 | 192 | 190 | 3 |
| Lumber and wood products..... | 635.2 | 629.8 | 628.9 | 602.3 | 5.4 | 32.9 | 615 | 612 | 608 | 3 |
| Furniture and fixtures..... | 499.6 | 485.8 | 491.8 | 459.1 | 13.8 | 40.5 | 496 | 495 | 491 | 1 |
| Stone, clay, and glass products..... | 670.8 | 666.7 | 669.5 | 643.8 | 4.1 | 27.0 | 653 | 652 | 656 | 1 |
| Primary metal industries..... | 1,231.1 | 1,227.7 | 1,243.1 | 1,164.1 | 3.4 | 67.0 | 1,223 | 1,214 | 1,220 | 9 |
| Fabricated metal products..... | 1,376.5 | 1,359.6 | 1,388.0 | 1,332.4 | 16.9 | 44.1 | 1,375 | 1,376 | 1,377 | -1 |
| Machinery, except electrical..... | 1,838.7 | 1,829.5 | 1,848.2 | 1,767.6 | 9.2 | 71.1 | 1,846 | 1,828 | 1,832 | 18 |
| Electrical equipment..... | 1,844.1 | 1,827.0 | 1,849.4 | 1,777.2 | 17.1 | 66.9 | 1,839 | 1,842 | 1,851 | -3 |
| Transportation equipment..... | 1,685.1 | 1,622.0 | 1,774.5 | 1,694.6 | 63.1 | -9.5 | 1,768 | 1,764 | 1,762 | 4 |
| Instruments and related products..... | 461.4 | 451.1 | 452.9 | 432.4 | 10.3 | 29.0 | 459 | 452 | 452 | 7 |
| Miscellaneous manufacturing..... | 430.2 | 413.8 | 429.6 | 421.4 | 16.4 | 8.8 | 418 | 422 | 427 | -4 |

| | | | | | | | | | | |
|--|----------|----------|----------|----------|-------|---------|--------|--------|--------|-----|
| Nondurable goods..... | 8,307.0 | 8,045.0 | 8,177.0 | 8,166.0 | 262.0 | 141.0 | 8,112 | 8,066 | 8,133 | 46 |
| Production workers..... | 6,136.0 | 5,889.0 | 6,018.0 | 6,010.0 | 247.0 | 126.0 | 5,963 | 5,932 | 5,987 | 31 |
| Food and kindred products..... | 1,877.0 | 1,788.3 | 1,762.5 | 1,882.8 | 88.7 | -5.8 | 1,743 | 1,753 | 1,764 | -10 |
| Tobacco manufactures..... | 78.0 | 64.8 | 65.2 | 77.7 | 13.2 | .3 | 70 | 73 | 74 | -3 |
| Textile mill products..... | 1,004.6 | 980.6 | 1,007.0 | 564.7 | 24.0 | 39.9 | 999 | 991 | 994 | 8 |
| Apparel and other textile products..... | 1,369.3 | 1,295.5 | 1,375.3 | 1,366.1 | 73.8 | 3.2 | 1,354 | 1,340 | 1,360 | 14 |
| Paper and allied products..... | 713.4 | 701.4 | 710.0 | 688.1 | 12.0 | 25.3 | 706 | 699 | 702 | 7 |
| Printing and publishing..... | 1,092.5 | 1,087.7 | 1,096.8 | 1,080.6 | 4.8 | 11.9 | 1,091 | 1,089 | 1,096 | 2 |
| Chemicals and allied products..... | 1,015.6 | 1,008.1 | 1,013.7 | 1,015.4 | 7.5 | .2 | 1,005 | 998 | 1,007 | 7 |
| Petroleum and coal products..... | 192.6 | 192.5 | 192.9 | 193.2 | .1 | -6 | 187 | 187 | 189 | 0 |
| Rubber and plastics products, n.e.c..... | 638.7 | 620.7 | 633.1 | 584.5 | 18.0 | 54.2 | 636 | 628 | 631 | 8 |
| Leather and leather products..... | 325.5 | 305.0 | 320.6 | 313.2 | 20.5 | 12.3 | 321 | 308 | 316 | 13 |
| Service producing..... | 49,530.0 | 49,620.0 | 50,185.0 | 47,757.0 | -90.0 | 1,773.0 | 50,050 | 49,903 | 49,786 | 147 |
| Transportation and public utilities..... | 4,583.0 | 4,579.0 | 4,589.0 | 4,486.0 | 4.0 | 97.0 | 4,524 | 4,520 | 4,539 | 4 |
| Wholesale and retail trade..... | 15,701.0 | 15,690.0 | 15,771.0 | 15,151.0 | 11.0 | 550.0 | 15,775 | 15,716 | 15,712 | 59 |
| Wholesale trade..... | 4,015.0 | 4,013.0 | 3,997.0 | 3,886.0 | 2.0 | 129.0 | 3,971 | 3,969 | 3,973 | 2 |
| Retail trade..... | 11,686.0 | 11,677.0 | 11,774.0 | 11,265.0 | 9.0 | 421.0 | 11,804 | 11,747 | 11,739 | 57 |
| Finance, insurance, and real estate..... | 4,003.0 | 3,993.0 | 3,969.0 | 3,865.0 | 10.0 | 138.0 | 3,940 | 3,930 | 3,983 | 10 |
| Services..... | 12,492.0 | 12,528.0 | 12,540.0 | 11,994.0 | -36.0 | 498.0 | 12,442 | 12,404 | 12,379 | 38 |
| Government..... | 12,751.0 | 12,830.0 | 13,316.0 | 12,261.0 | -79.0 | 490.0 | 13,369 | 13,333 | 13,218 | 36 |
| Federal..... | 2,645.0 | 2,650.0 | 2,659.0 | 2,690.0 | -5.0 | -45.0 | 2,606 | 2,606 | 2,625 | 0 |
| State and local..... | 10,106.0 | 10,180.0 | 10,657.0 | 9,571.0 | -74.0 | 535.0 | 10,763 | 10,727 | 10,593 | 36 |

¹ Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS ¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | | | | | Change from— | | Seasonally adjusted | | | Change from July 1972 |
|---------------------------------------|--------------------------|------------------------|-----------|-------------|--------------|-------------|--------------------------|------------------------|-----------|--------------------------|
| | August 1972 ² | July 1972 ² | June 1972 | August 1971 | July 1972 | August 1971 | August 1972 ² | July 1972 ² | June 1972 | |
| Total private..... | 37.7 | 73.6 | 37.4 | 37.4 | 0.1 | 0.3 | 37.2 | 37.2 | 37.2 | 0 |
| Mining..... | 42.7 | 42.6 | 43.1 | 42.3 | .1 | .4 | 42.4 | 42.2 | 42.8 | .2 |
| Contract construction..... | 38.3 | 38.0 | 37.6 | 38.3 | .3 | 0 | 37.1 | 37.0 | 36.8 | .1 |
| Manufacturing..... | 40.7 | 40.4 | 40.8 | 39.8 | .3 | .9 | 40.7 | 40.6 | 40.6 | .1 |
| Overtime hours..... | 3.5 | 3.3 | 3.5 | 3.0 | .2 | .5 | 3.4 | 3.4 | 3.4 | 0 |
| Durable goods..... | 41.2 | 40.9 | 41.6 | 40.0 | .3 | 1.2 | 41.2 | 41.2 | 41.4 | 0 |
| Overtime hours..... | 3.6 | 3.4 | 3.6 | 2.8 | .2 | .8 | 3.6 | 3.5 | 3.5 | .1 |
| Ordnance and accessories..... | 42.7 | 41.9 | 42.2 | 41.7 | .8 | 1.0 | 42.9 | 42.5 | 42.0 | .4 |
| Lumber and wood products..... | 41.8 | 41.0 | 41.8 | 40.5 | .8 | 1.3 | 41.5 | 41.1 | 41.3 | .4 |
| Furniture and fixtures..... | 41.0 | 40.0 | 41.1 | 40.4 | 1.0 | .6 | 40.5 | 40.4 | 40.9 | .1 |
| Stone, clay, and glass products..... | 42.6 | 42.1 | 42.3 | 42.3 | .5 | .3 | 42.1 | 41.9 | 42.0 | .2 |
| Primary metal industries..... | 41.9 | 41.3 | 41.8 | 38.8 | .6 | 3.1 | 41.9 | 41.2 | 41.5 | .7 |
| Fabricated metal products..... | 41.3 | 40.8 | 41.5 | 40.3 | .5 | 1.0 | 41.2 | 41.2 | 41.2 | 0 |
| Machinery, except electrical..... | 41.8 | 41.5 | 42.1 | 40.3 | .3 | 1.5 | 42.3 | 42.0 | 42.1 | .3 |
| Electrical equipment..... | 40.6 | 39.8 | 40.7 | 40.0 | -.8 | .6 | 40.6 | 40.3 | 40.5 | .3 |
| Transportation equipment..... | 40.6 | 41.4 | 42.1 | 39.3 | -.8 | 1.3 | 41.2 | 41.5 | 42.0 | -.3 |
| Instruments and related products..... | 40.7 | 40.2 | 40.7 | 39.6 | .5 | 1.1 | 40.9 | 40.5 | 40.6 | .4 |
| Miscellaneous manufacturing..... | 39.0 | 38.6 | 39.6 | 39.2 | .4 | -.2 | 39.0 | 39.2 | 39.5 | -.2 |

| | | | | | | | | | | |
|--|------|------|------|------|-----|------|------|------|------|-----|
| Nondurable goods..... | 39.9 | 39.9 | 39.9 | 39.5 | .1 | .4 | 39.7 | 39.7 | 39.8 | 0 |
| Overtime hours..... | 3.3 | 3.3 | 3.4 | 3.2 | 0 | .1 | 3.2 | 3.3 | 3.4 | -.1 |
| Food and kindred products..... | 40.7 | 40.9 | 40.7 | 40.7 | -.2 | 0 | 40.1 | 40.5 | 40.6 | -.4 |
| Tobacco manufacturers..... | 35.8 | 34.3 | 34.8 | 37.4 | 1.5 | -1.6 | 35.6 | 34.6 | 34.3 | 1.0 |
| Textile mill products..... | 41.3 | 40.9 | 41.7 | 40.8 | .4 | .5 | 41.2 | 41.1 | 41.5 | .1 |
| Apparel and other textile products..... | 36.2 | 35.9 | 36.0 | 36.0 | .3 | .2 | 35.9 | 35.9 | 35.9 | 0 |
| Paper and allied products..... | 43.1 | 42.9 | 43.0 | 42.5 | .2 | .6 | 43.0 | 42.9 | 43.0 | .1 |
| Printing and publishing..... | 38.3 | 38.0 | 37.9 | 37.7 | .3 | .6 | 38.1 | 38.0 | 37.9 | .1 |
| Chemicals and allied products..... | 41.6 | 41.8 | 42.0 | 41.3 | -.2 | .3 | 41.8 | 41.9 | 42.0 | -.1 |
| Petroleum and coal products..... | 41.7 | 42.2 | 42.4 | 42.6 | -.5 | -.9 | 42.5 | 41.8 | 42.1 | .7 |
| Rubber and plastics products, not elsewhere classified..... | 41.4 | 40.8 | 41.5 | 40.3 | .6 | 1.1 | 41.2 | 41.0 | 41.5 | .2 |
| Leather and leather products..... | 39.2 | 38.9 | 39.2 | 37.6 | .3 | 1.6 | 39.2 | 38.4 | 38.6 | .8 |
| Transportation and public utilities..... | 41.0 | 40.9 | 40.8 | 40.7 | .1 | .3 | 40.8 | 40.5 | 40.7 | .3 |
| Wholesale and retail trade..... | 36.1 | 36.0 | 35.5 | 36.0 | .1 | .1 | 35.2 | 35.2 | 35.3 | 0 |
| Wholesale trade..... | 39.9 | 40.0 | 40.0 | 39.9 | -.1 | 0 | 39.7 | 39.7 | 39.9 | 0 |
| Retail trade..... | 34.8 | 34.8 | 34.1 | 34.7 | 0 | .1 | 33.7 | 33.8 | 33.8 | -.1 |
| Finance, insurance, and real estate..... | 37.2 | 37.4 | 37.2 | 37.3 | -.2 | -.1 | 37.2 | 37.4 | 37.2 | -.2 |
| Services..... | 34.7 | 34.8 | 34.2 | 34.7 | -.1 | 0 | 34.3 | 34.4 | 34.1 | -.1 |

¹ Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approxi-

mately 5% of the total employment on private nonagricultural payrolls.
² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|---------------------------------------|--------------------------|------------------------|-----------|-------------|--------------|-------------|--------------------------|------------------------|-----------|-------------|--------------|-------------|
| | August 1972 ² | July 1972 ² | June 1972 | August 1971 | Change from— | | August 1972 ² | July 1972 ² | June 1972 | August 1971 | Change from— | |
| | | | | | July 1972 | August 1971 | | | | | July 1972 | August 1972 |
| Total private..... | \$3.64 | \$3.62 | \$3.62 | \$3.45 | \$0.02 | \$0.19 | \$137.23 | \$136.11 | \$135.39 | \$129.03 | \$1.12 | \$8.20 |
| Seasonally adjusted..... | 3.65 | 3.62 | 3.62 | 3.46 | .03 | .19 | 135.78 | 134.66 | 134.66 | 127.67 | 1.12 | 8.11 |
| Mining..... | 4.36 | 4.34 | 4.33 | 4.10 | .02 | .26 | 186.17 | 184.88 | 186.22 | 173.43 | 1.29 | 12.74 |
| Contract construction..... | 6.06 | 5.99 | 5.97 | 5.75 | .07 | .31 | 232.10 | 227.62 | 224.47 | 220.23 | 4.48 | 11.87 |
| Manufacturing..... | 3.79 | 3.79 | 3.79 | 3.56 | 0 | .23 | 154.25 | 153.12 | 154.63 | 141.69 | 1.13 | 12.56 |
| Durable goods..... | 4.05 | 4.02 | 4.04 | 3.79 | .03 | .26 | 166.86 | 164.42 | 168.06 | 151.60 | 2.44 | 15.26 |
| Ordnance and accessories..... | 4.07 | 4.10 | 4.09 | 3.88 | -.03 | .19 | 173.79 | 171.79 | 172.60 | 161.80 | 2.00 | 11.99 |
| Lumber and wood products..... | 3.34 | 3.32 | 3.32 | 3.19 | .02 | .15 | 139.61 | 136.12 | 138.78 | 129.20 | 3.49 | 10.41 |
| Furniture and fixtures..... | 3.08 | 3.04 | 3.05 | 2.94 | .04 | .14 | 126.28 | 121.60 | 125.36 | 118.78 | 4.68 | 7.50 |
| Stone, clay, and glass products..... | 3.95 | 3.93 | 3.91 | 3.73 | .02 | .22 | 168.27 | 165.45 | 165.39 | 157.78 | 2.82 | 10.49 |
| Primary metal industries..... | 4.71 | 4.65 | 4.63 | 4.29 | .06 | .42 | 197.35 | 192.05 | 193.53 | 166.45 | 5.30 | 30.90 |
| Fabricated metal products..... | 3.98 | 3.98 | 3.98 | 3.75 | 0 | .23 | 164.37 | 162.38 | 165.17 | 151.13 | 1.99 | 13.24 |
| Machinery, except electrical..... | 4.26 | 4.24 | 4.26 | 4.02 | .02 | .24 | 178.07 | 175.96 | 179.35 | 162.01 | 2.11 | 16.06 |
| Electrical equipment..... | 3.70 | 3.67 | 3.67 | 3.50 | .03 | .20 | 150.22 | 146.07 | 149.37 | 140.00 | 4.15 | 10.22 |
| Transportation equipment..... | 4.73 | 4.66 | 4.73 | 4.37 | .07 | .36 | 192.04 | 192.92 | 199.13 | 171.74 | -.88 | 20.30 |
| Instruments and related products..... | 3.73 | 3.72 | 3.72 | 3.55 | .01 | .18 | 151.81 | 149.54 | 151.40 | 140.58 | 2.27 | 11.23 |
| Miscellaneous manufacturing..... | 3.11 | 3.09 | 3.09 | 2.95 | .02 | .16 | 121.29 | 119.27 | 122.36 | 115.64 | 2.02 | 5.65 |

| | | | | | | | | | | | | |
|--|------|------|------|------|------|-----|--------|--------|--------|--------|-------|-------|
| Nondurable goods..... | 3.46 | 3.48 | 3.45 | 3.27 | -.02 | .19 | 138.05 | 138.50 | 137.66 | 129.17 | -.45 | 8.88 |
| Food and kindred products.. | 3.52 | 3.58 | 3.58 | 3.34 | -.06 | .18 | 143.26 | 146.42 | 145.71 | 135.94 | -3.16 | 7.32 |
| Tobacco manufacturers..... | 3.34 | 3.56 | 3.52 | 3.19 | -.22 | .15 | 119.57 | 122.11 | 122.50 | 119.31 | -2.69 | .26 |
| Textile mill products..... | 2.73 | 2.71 | 2.72 | 2.57 | .02 | .16 | 112.75 | 110.84 | 113.42 | 104.86 | 1.91 | 7.89 |
| Apparel and other textile products..... | 2.61 | 2.58 | 2.60 | 2.50 | .03 | .11 | 94.48 | 92.62 | 93.60 | 90.00 | 1.86 | 4.48 |
| Paper and allied products... | 3.98 | 3.98 | 3.93 | 3.73 | 0 | .25 | 171.54 | 170.74 | 168.99 | 158.53 | .80 | 13.01 |
| Printing and publishing..... | 4.49 | 4.49 | 4.46 | 4.23 | 0 | .26 | 171.97 | 170.62 | 169.03 | 159.47 | 2.35 | 12.50 |
| Chemicals and allied products..... | 4.21 | 4.22 | 4.20 | 3.99 | -.01 | .22 | 175.14 | 176.40 | 176.40 | 164.79 | -1.26 | 10.35 |
| Petroleum and coal products..... | 4.99 | 4.97 | 4.95 | 4.59 | .02 | .40 | 208.08 | 209.73 | 209.88 | 195.53 | -1.65 | 12.55 |
| Rubber and plastics prod- ucts (not elsewhere classified)..... | 3.63 | 3.63 | 3.58 | 3.45 | 0 | .18 | 150.28 | 148.10 | 148.57 | 139.04 | 2.18 | 11.24 |
| Leather and leather products | 2.71 | 2.68 | 2.70 | 2.59 | .03 | .12 | 106.23 | 104.25 | 105.84 | 97.38 | 1.98 | 8.85 |
| Transportation and public utilities... | 4.70 | 4.65 | 4.59 | 4.25 | .05 | .45 | 192.70 | 190.19 | 187.27 | 172.98 | 2.51 | 19.72 |
| Wholesale and retail trade..... | 3.01 | 3.01 | 3.01 | 2.88 | 0 | .13 | 108.66 | 108.36 | 106.86 | 103.68 | .30 | 4.98 |
| Wholesale trade..... | 3.88 | 3.88 | 3.85 | 3.70 | 0 | .18 | 154.81 | 155.20 | 154.00 | 147.63 | -.39 | 7.18 |
| Retail trade..... | 2.69 | 2.69 | 2.69 | 2.57 | 0 | .12 | 93.61 | 92.61 | 91.73 | 89.18 | 0 | 4.43 |
| Finance, insurance, and real estate... | 3.43 | 3.45 | 3.43 | 3.30 | -.02 | .13 | 127.60 | 129.03 | 127.60 | 123.09 | -1.43 | 4.51 |
| Services..... | 3.10 | 3.12 | 3.11 | 2.99 | -.02 | .11 | 107.57 | 108.58 | 106.36 | 103.75 | -1.01 | 3.82 |

¹ See footnote 1, table B-2. ² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED

[1967 equals 100]

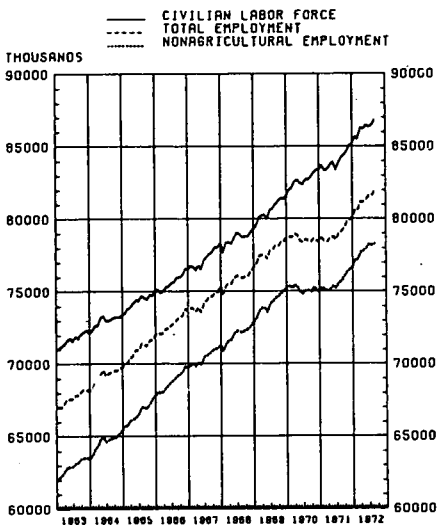
| Industry | August 1972 ¹ | July 1972 ¹ | June 1972 | May 1972 | April 1972 | March 1972 | August 1971 | Percent change over month and year | |
|---|-----------------------------|---------------------------|--------------|-------------|---------------|---------------|----------------|--|-----------------------------------|
| | | | | | | | | July 1972- August 1972 | August 1971- August 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 138.2 | 137.7 | 136.9 | 136.8 | 136.6 | 135.5 | 130.9 | 0.4 | 5.6 |
| Constant (1967) dollars.. | (²) | 109.9 | 109.7 | 109.7 | 109.9 | 109.2 | 107.3 | (²) | (⁴) |
| Mining..... | 137.5 | 136.6 | 136.0 | 135.0 | 135.5 | 134.6 | 129.2 | .7 | 6.4 |
| Contract construction..... | 147.8 | 146.1 | 146.2 | 146.4 | 145.9 | 145.0 | 140.1 | 1.2 | 5.5 |
| Manufacturing..... | 136.3 | 135.6 | 135.2 | 134.8 | 134.0 | 133.4 | 128.8 | .5 | 5.8 |
| Transportation and public utilities..... | 145.0 | 143.6 | 141.7 | 142.1 | 141.8 | 140.0 | 131.1 | 1.0 | 10.6 |
| Wholesale and retail trade..... | 135.7 | 135.3 | 134.5 | 133.8 | 134.1 | 133.0 | 129.7 | .2 | 4.6 |
| Finance, insurance, and real estate..... | 133.4 | 133.6 | 133.1 | 132.5 | 133.5 | 131.0 | 128.4 | -.2 | 3.9 |
| Services..... | 135.7 | 135.9 | 135.8 | 136.3 | 136.7 | 135.4 | 131.0 | -.2 | 3.5 |

¹ Preliminary.² Indicates data are not available.³ Percent change was 0.1 from June 1972 to July 1972, the latest month available.⁴ Percent change was 2.8 from July 1971 to July 1972, the latest month available.

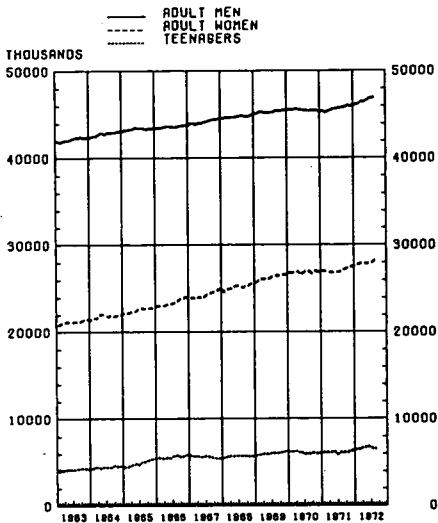
Note: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

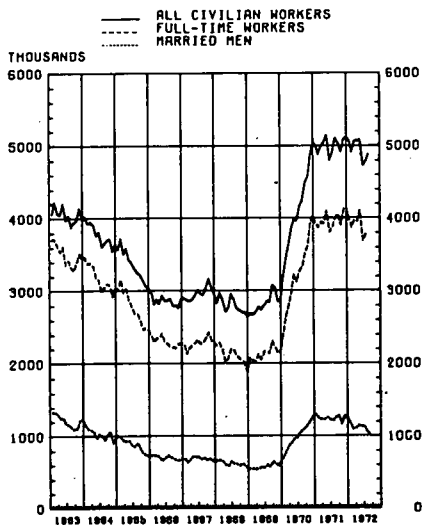
1. LABOR FORCE AND EMPLOYMENT



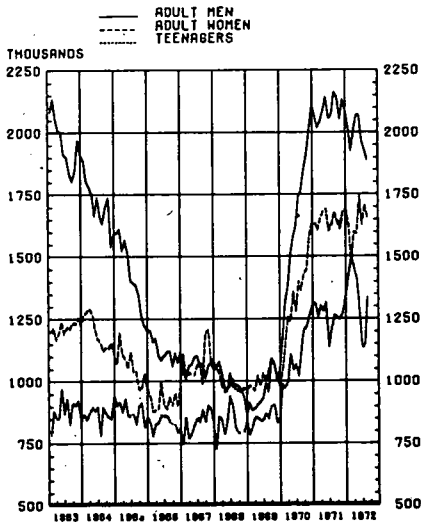
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

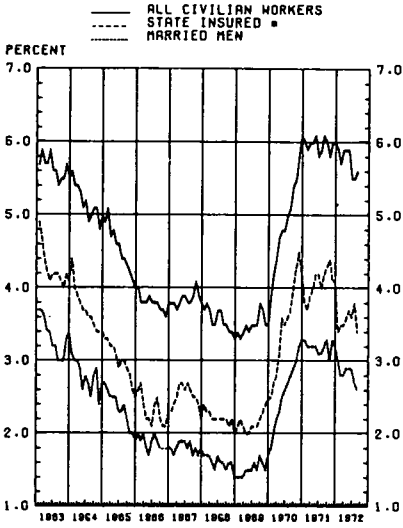


4. UNEMPLOYMENT

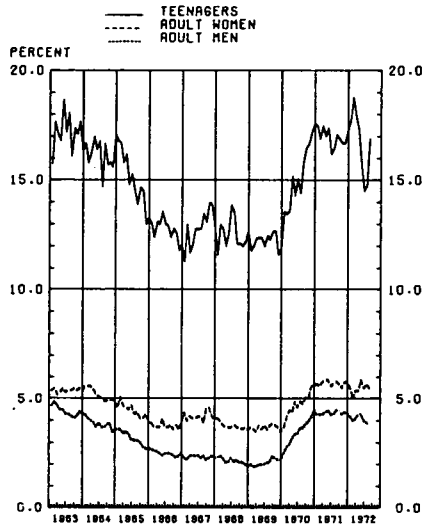


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

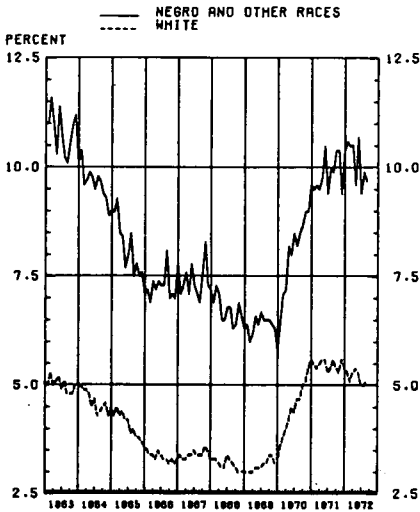
5. UNEMPLOYMENT RATES



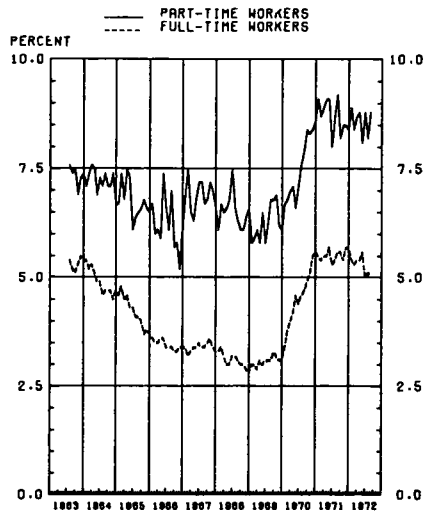
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



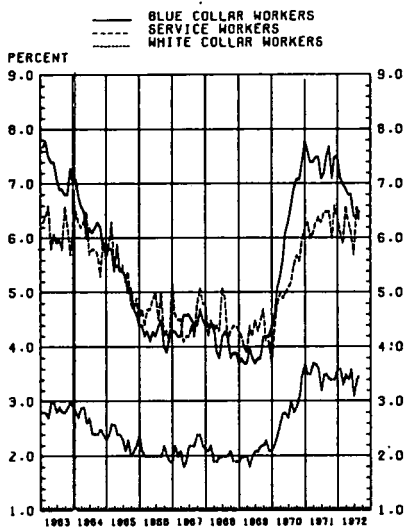
8. UNEMPLOYMENT RATES



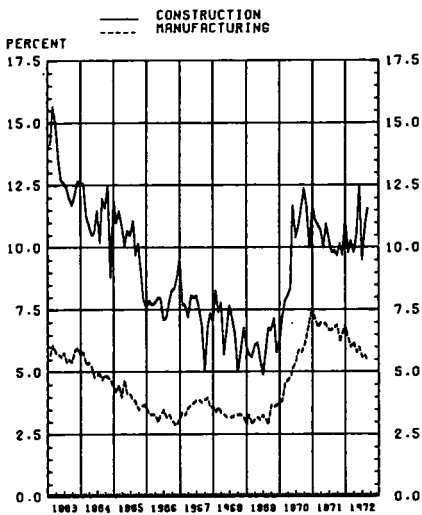
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT HOUSEHOLD DATA - SEASONALLY ADJUSTED

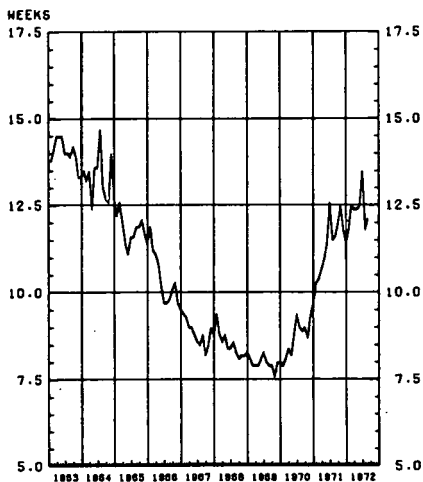
9. UNEMPLOYMENT RATES



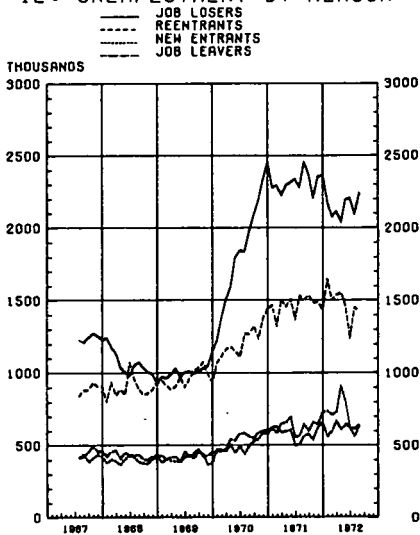
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT



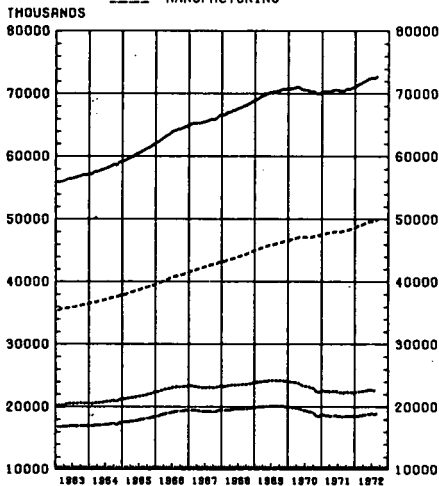
12. UNEMPLOYMENT BY REASON



NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

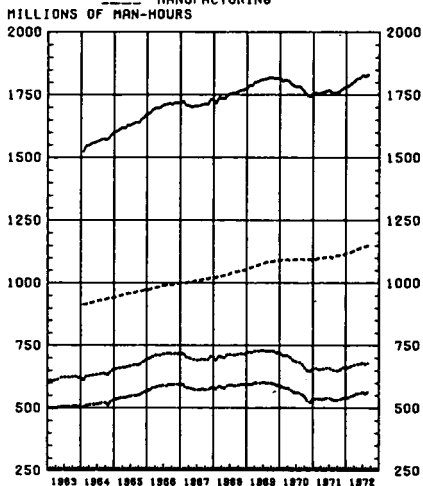
13. EMPLOYMENT

— TOTAL NONAGRICULTURAL
- - - SERVICE-PRODUCING
— GOODS-PRODUCING
- - - MANUFACTURING



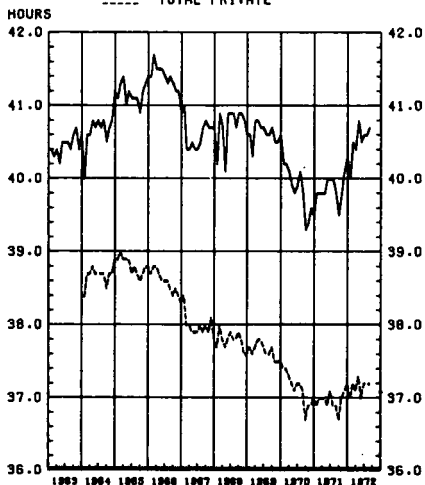
14. MAN-HOURS

— TOTAL PRIVATE NONAGRICULTURAL
- - - PRIVATE SERVICE-PRODUCING
— GOODS-PRODUCING
- - - MANUFACTURING

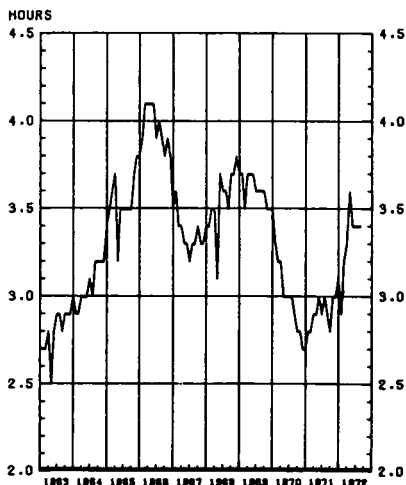


15. AVERAGE WEEKLY HOURS

— MANUFACTURING
- - - TOTAL PRIVATE



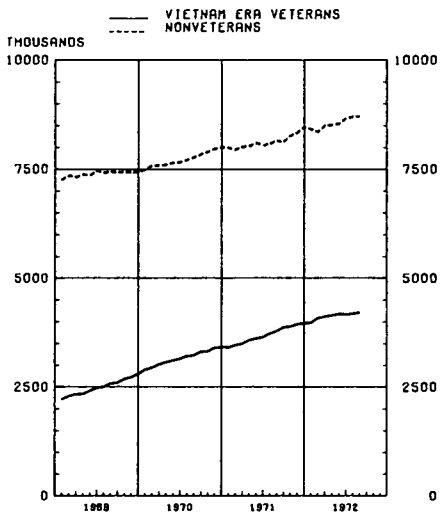
16. AVERAGE WEEKLY OVERTIME HOURS
IN MANUFACTURING



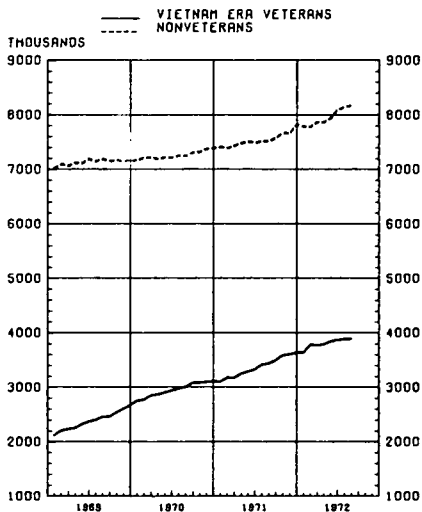
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS, 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

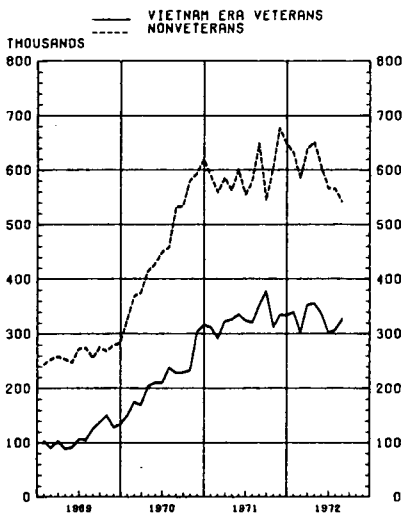
17. CIVILIAN LABOR FORCE



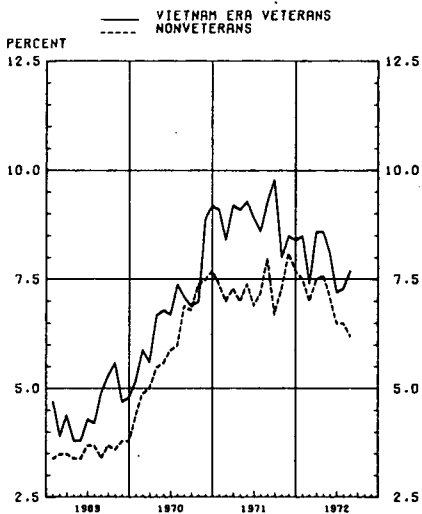
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



MEASURES OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT STABILIZATION PROGRAM

1. MONTHLY SERIES

[Seasonally adjusted percent change, compound annual rate]

| | 12 months, December 1968 to December 1969 | 12 months, December 1969 to December 1970 | 8 months prior to Phase I: December 1970 to Au- gust 1971 | 3 months, Phase I: August to November 1971 | 8 months, Phase II: November 1971 to July 1972 | 11 months, Phase I and II: August 1971 to July 1972 |
|---|--|--|--|---|--|---|
| Consumer Price Index: | | | | | | |
| All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.3 | 2.9 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 4.4 | 3.7 |
| Commodities less food..... | 4.5 | 4.8 | 2.9 | 0 | 2.6 | 1.9 |
| Services ¹ | 7.4 | 8.2 | 4.6 | 3.1 | 3.6 | 3.5 |
| Rent ¹ | 3.8 | 4.5 | 4.3 | 2.8 | 3.1 | 3.0 |
| Wage Price Index: | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | -2 | 5.7 | 4.0 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | -5 | 4.1 | 2.8 |
| Farm products, processed foods, feeds ² | 7.5 | -1.4 | 6.5 | 1.1 | 9.5 | 7.2 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | 4.5 | 3.0 |
| Consumer foods ² | 8.2 | -2.5 | 6.8 | .3 | 6.8 | 5.0 |
| Consumer commodities, except food..... | 2.9 | 4.0 | 2.2 | -4 | 3.0 | 2.1 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | 3.7 | 2.1 |
| Spot market price index, in- dustrial materials ^{1,3} | 16.4 | -8.8 | -4 | 3.1 | 24.5 | 18.2 |
| Private nonfarm production workers: | | | | | | |
| Earnings in current dollars: | | | | | | |
| Hourly ⁴ | 6.5 | 6.8 | 7.2 | 1.9 | (6.8) 7.0 | (5.6) 5.6 |
| Gross weekly..... | 6.2 | 4.3 | 6.4 | 4.6 | (6.9) 6.5 | (6.4) 6.0 |
| Spendable weekly ⁵ | 4.8 | 4.8 | 7.2 | 4.1 | (7.6) 7.2 | (7.2) 6.8 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁴ | .4 | 1.3 | 3.3 | 0 | 3.6 | 2.6 |
| Gross weekly..... | .1 | -1.1 | 2.5 | 2.6 | 3.1 | 3.0 |
| Spendable weekly ⁵ | -1.1 | -7 | 3.4 | 2.1 | 3.8 | 3.8 |

¹ Not seasonally adjusted; data contain almost no seasonal movements.² Raw agricultural products are exempt from the price controls.³ Weekly index, not a component of Wage Price index. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.⁴ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.⁵ Gross weekly earnings, after taxes, for worker with three dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

Note: Data in parenthesis through August 1972.

Source: Bureau of Labor Statistics, August 31, 1972.

MEASURERS OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT STABILIZATION PROGRAM—Continued

2. QUARTERLY SERIES

[Seasonally adjusted percent change, compound annual rate]

| | IV-1968 to IV-1969 | IV-1969 to IV-1970 | IV-1970 to II-1971 | Phase I II-1971 to IV-1971 | Phase II IV-1971 to II-1972 | Phases I and II II-1971 to II-1972 |
|--|-----------------------|-----------------------|-----------------------|----------------------------------|-----------------------------------|---|
| GNP price deflators: | | | | | | |
| Total..... | 5.3 | 5.3 | 5.1 | 2.0 | 3.5 | 2.8 |
| Private, fixed weights..... | 5.1 | 4.5 | 5.0 | 2.6 | 3.5 | 3.0 |
| Personal consumer expenditure, fixed weights..... | 5.0 | 4.3 | 4.5 | 2.4 | 3.1 | 2.8 |
| Private nonfarm: | | | | | | |
| Hourly compensation..... | 6.9 | 6.8 | 7.5 | 5.8 | 6.7 | 6.2 |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 4.7 | 4.4 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.9 | 1.7 |
| Unit nonlabor payments..... | -6 | 6.0 | 7.2 | 1.0 | 4.3 | 2.6 |
| Price deflator..... | 4.8 | 5.2 | 4.3 | 1.4 | 2.7 | 2.0 |
| Real hourly compensation..... | 1.0 | 1.1 | 3.6 | 2.6 | 3.3 | 2.9 |
| Corporate nonfinancial: | | | | | | |
| Hourly compensation..... | 7.2 | 7.3 | 6.7 | 5.8 | 7.1 | 6.5 |
| Output per man-hour..... | 1.0 | 1.3 | 6.6 | 4.6 | 5.8 | 5.5 |
| Unit labor costs..... | 6.2 | 5.9 | .1 | 1.1 | .8 | 1.0 |
| Unit nonlabor costs..... | 7.9 | 10.1 | .8 | 6.0 | -1.3 | 2.3 |
| Unit profits..... | -20.1 | -15.2 | 42.7 | -10.5 | 19.4 | 3.3 |
| Price deflator..... | 2.8 | 4.5 | 3.8 | 1.0 | 2.0 | 1.5 |
| Real hourly compensation..... | 1.3 | 1.5 | 2.9 | 2.4 | 3.7 | 3.1 |

Mean percentage adjustment, decisions reached during period

| | 1969 | 1970 | I and II- 1971 | III and IV-1971 | I and II-1972 | III-IV-1971, I and II- 1972 |
|---|------|------|-------------------|--------------------|------------------|-----------------------------------|
| Negotiated wage changes, all industries: | | | | | | |
| Wages and benefits, 1st year..... | 10.9 | 13.1 | 10.5 | 15.0 | 8.6 | 12.7 |
| Wages, 1st year..... | 9.2 | 11.9 | 10.0 | 13.5 | 7.5 | 11.1 |

Mr. MOORE. The employment situation in August is marked by a substantial increase in employment while the unemployment rate and level was substantially unchanged. The expansion in total employment was 290,000, and payroll employment, where we get a measure from the figures that are provided by employers rather than by households, also rose substantially.

The actual number of people unemployed declined about 300,000 from July, but we expect about that much of a decline in August because of the usual seasonal changes, and after adjustment for seasonality the level of unemployment was about the same as it was in July.

This is true also for a number of the important unemployment rates such as those for adult men, adult women, for whites and for blacks, about the same level as they reached in June. The unemployment rates for married men hit the figure 2.6 percent, and for household heads, both male and female, 3.3 percent. They are both lower than they were in June, and also lower than they were a year ago.

There was a rise in the unemployment rate for teen-agers. It went back to the level of 16.9 percent in August with most of the increase occurring in the 16- and 17-year-old group.

As a result of the fact that the number employed increased while unemployment remained about the same, the total civilian labor force rose by 390,000 in August.

The unemployment rate for veterans in August was 7.7 percent, up from 7.3 percent in July but a good deal better than the 9.3 percent of a year ago.

The workweek, which we get information on from employers, remained at 37.2 hours in August. In manufacturing the workweek is now at 40.7 hours, which is about the same as the July level, but almost a full hour above the August a year ago level.

Hourly earnings data, which we also get from employers, showed an increase of 2 cents to \$3.64 in August, and our hourly earnings index, which is seasonally adjusted and adjusted for other factors, was four-tenths of a percent higher than in July, and 5.6 percent above August a year ago.

Since the increase of 5.6 percent is considerably higher than the recent measures that we have of the change in the price level, real earnings also rose substantially over the year ago level.

Mr. Chairman, since you have expressed an interest in the past in viewing these employment and unemployment figures in some perspective, I have put together a few notes on these lines, and I would like to summarize what I have on that subject.

Chairman PROXMIRE. That is fine, and we would like to have any further documentation that you care to provide for the record.

Mr. MOORE. My notes look at the figure in a longer perspective than we take in the employment release.

1. Employment reached the 82 million mark in August, the highest ever. Except for June, the increase of 2.6 million jobs from a year ago is the largest over-the-year increase in jobs since the boom years 1955-56.

2. Of course, the population has been growing, too. One way to take account of that is to take employment as a percentage of the population, 16 years and over. This is a measure of the civilian employment opportunities provided by the economy. The percentage of the population that is employed reached 56.1 percent in August. This is close to the highest it has ever been. The only sustained period when it was higher was in 1969 and early 1970.

3. The expansion in economic activity, now in its 21st month, has created more new jobs, 3.1 million since the peak in economic activity in November 1969, than in the corresponding period of any of the four expansions since 1949. By the 21st month of the 1961-62 expansion, for example, the corresponding increase was 1.0 million. Hence, the current expansion in jobs is three times as large as in 1961-62. Even when one takes account of the growth in the population the current expansion in employment has been extraordinarily large.

4. The decline in unemployment has not been as large as in previous expansions. Nevertheless, the level of the unemployment rate, 5.6 percent in the 21st month of this expansion, compares closely with the 5.7 percent in the corresponding month of the 1961-62 expansion. In 1958-59, at this stage it was 5.2 percent; in 1954-56, 4.3 percent; in 1949-51, 3.1 percent.

5. Finally, the reason why unemployment has remained high despite the extraordinary increase in jobs is that the civilian labor force has increased far more rapidly in the current period than in earlier periods. The growth in the labor force (5.1 million since the November 1969 peak in economic activity) has been more than three times as large as in 1961-62. Apart from the sheer problem of placing that many more people in jobs, the shift in the composition of the labor force has also tended to maintain a high average unemployment rate.

The reason is that the expansion has been fastest among young men coming out of the Armed Forces as the Armed Forces have been reduced, among women, and among teenagers, and all of these groups normally have higher unemployment rates than men in their prime working age.

Well, that concludes my statement, Mr. Chairman.

Chairman PROXMIRE. Before I get into the questioning, Mr. Moore, I would like to put you on notice that next month we intend to have at least one expert testify about the so-called politicizing of our economic statistics, the intimidation or the alleged intimidation of personnel involved in what has been called a reign of terror, with respect to our unemployment statistics and other economic statistics, some of this is so serious that I think these competent economists who make the charges should have an opportunity to make them in public, and you will be given every chance to respond to them.

I have seen some of these charges and I am very much disturbed by them, and I know you must be, too, and I think the best thing to do is to air them, and I think next month would be an appropriate time to do so.

Mr. MOORE. I certainly am very much concerned, Mr. Chairman, and I will be here to listen.

Chairman PROXMIRE. I am told by the staff at least in the last 3 months the increase in the work force has been just about trend, just about what you would expect. It has been 1.6 percent annual rate—I beg your pardon, 1.6 million, it is a little more than 1.6 percent, 1.6 million, and while this was about what you would expect on a long-term basis it is not really an impressive performance in a recovery period. Usually the work force in a recovery period grows more rapidly. We did have a recession in 1970-71 and they say that this growth has not, at least in the last few months or so, has not been impressive. What is your response to that?

Mr. MOORE. Well, I have not checked the figures. Assuming your calculation is correct of an increase at the rate of 1.6 million over the last 3 months I would say that is about the average rate of growth over a long period in the civilian labor force.

Chairman PROXMIRE. Well, then, what this means is there has not been any, there is no basis for explaining the sluggishness of the unemployment figures by an extraordinary growth in the labor force. We have not had, you say it is a long-term trend, that is about what you would expect. This is a recovery period. It could have been 2 million growth in the labor force without it being extraordinary. So, it would seem that we just are not able somehow to solve this problem of providing jobs for those who want to work.

Mr. MOORE. Well—

Chairman PROXMIRE. We do not have the policies to do it.

Mr. MOORE (continuing). I took the period that you were referring to as going from May to August, that is 3 months, and over that period there has been a decline in the unemployment rate from 5.9 percent to 5.6 percent, and the arithmetic of it is—

Chairman PROXMIRE. That whole decline was in 1 month.

Mr. MOORE. Beg pardon.

Chairman PROXMIRE. That whole decline was in 1 month, it dropped down to 5.5 in June, 5.5 in July, and it is 5.6 now.

Mr. MOORE. That is right. But the civilian labor force did not change much from May to June to July, either.

Chairman PROXMIRE. There has been a general feeling in the country that the economy is doing better this summer, that this has been a pretty good summer from the economic standpoint. Some economists who have been critical of the administration and have been sympathetic with the Democratic Party, have indicated that, but the failure of unemployment to drop in the last 3 months in view of the fact that the work force has not increased disproportionately in this period suggests that the economy has not been doing nearly as well as it should.

Let me ask you something else. What are the developments that we might look for that could reduce unemployment by the end of the year or next year. What do we need in the economy in order to make some real progress, steady progress, in the reduction of unemployment?

Mr. MOORE. Well—

Chairman PROXMIRE. I am not asking for a prediction because I know you do not want to give that. But I am asking for what does have to develop in order to make that possible.

Mr. MOORE. It seems to me the basic thing is a continuation of the rapid economic expansion that we have had so far. That expansion, as I explained in my statement, in terms of the number of jobs in which people are employed, has been extraordinarily rapid. If that economic expansion continues at the rapid pace that it has had in the last year, then it seems to me that is bound to reduce the unemployment problem.

Now, beyond that, I do not think I want to go. I would be making a prediction or at least describing the policies involved.

Chairman PROXMIRE. When you say continued, you know when you consider a 3-month period it does not look as if there has been an expansion sufficient to suggest much improvement in unemployment. There was an improvement in employment in this past month, no question about it. But, then, if we look at all the summer months, June, July and August, we did not get improvement that would have any effect, any real effect, in reducing unemployment; is that not right?

Mr. MOORE. It is very hard to judge these things on the basis of short periods of time because the figures fluctuate because of sampling variations.

Chairman PROXMIRE. That is why I am trying to get away from a 1-month period to a 3-month period.

Mr. MOORE. If you are suggesting that the expansion in the economy has stopped this summer, I would just disagree because—

Chairman PROXMIRE. No, no.

Mr. MOORE (continuing). Those are not the facts.

Chairman PROXMIRE. No, no; but it certainly is not sufficient to provide a reduction in unemployment.

What has happened, as I understand it, is workers are more productive, they are working somewhat longer hours, not much, but a little; they are producing more in the hours they are working, productivity has improved, but we are not getting additional, demand for workers so that unemployment goes down. We are getting some but not enough.

My question is whether or not this is likely to continue, that you are likely to get improved productivity performance and maybe a lengthening of hours. There is plenty of room for it. Historically hours are still short and our productivity on the basis of any kind

of a long-term basis could improve a great deal more, which would suggest to me we are not going to get much of an improvement in unemployment. Do you fault that?

Mr. MOORE. One recent trend that strikes me as giving some hope in this respect is this: If you compare the unemployment rates this year with the same month a year ago, and you go back to, say, April, you find that there has been an increase in the drop in unemployment from a year ago in every single one of those months. It started out in April with a decline of one-tenth of a percentage point from a year ago. It went up to two-tenths of a percentage point in May, to three-tenths in June, to four-tenths in July, and in August compared with a year ago, to five-tenths.

Now, that is a steady improvement in the comparison with a year ago, that is the rate of change over a 1-year period. I am not going to project whether that is going to continue to increase or decrease or whatever but I do regard it as a favorable development in the recent past with respect to unemployment.

Chairman PROXMIER. The kind of thing that bothers me is the fact that many people argue that the bloom is off the rose for housing. Housing has been a very helpful economic force in the last year or so. We had an excellent year last year but that seems to be leveling off. Interest rates are beginning to rise so that is one area we did not see much stimulation from.

Automobile production has been good during the past year. There are some indications that may be leveling off. It is hard to see where we are going to get much of a continued expansion in demand that would provide for reducing unemployment.

The one figure that stands out this month in your statistics, you say there has not been much change in categories, and you are right, as I go down this list, a little up, a little down, but it is teenagers and for teenagers unemployment is sharply up. It goes from 14.8 percent to 16.9 percent, an increase of more than 2 percent on an annual basis seasonally adjusted, and that does seem to be very significant.

Would you like to comment on that?

Mr. MOORE. Well, I do not know that I have any explanation of that. As I pointed out in the statement that growth was almost entirely in the younger teenagers, that is the 16- and 17-year-old boys and girls, and not in the older group, but I do not have any specific explanation as to why that happened.

Mr. Kaitz reminds me of the old problem of sampling variation. It is a smaller group, and for that reason the sampling variation in the numbers is larger than it is in many other categories.

Chairman PROXMIER. Let me ask you about another disclosure that you commented on, I believe, this morning, and it may well be that there is some kind of misunderstanding if not a distortion involved here.

I have the BLS release on real earnings in July, which came out last week.

Now, according to that release, real gross weekly earnings were 0.4 percent higher in July than they were in June. One of the things that you have been talking about, the administration supporters have been talking about, is that real earnings are up, people are able to buy more now because inflation has moderated relative to wage increases.

However, by continuing to read this release, I learn that that number is not seasonally adjusted. On a seasonally adjusted basis, real gross

weekly earnings in July were "essentially unchanged from June." On a seasonally adjusted basis, the earnings data is pretty discouraging. Real hourly earnings are no higher than they were in April and only 4 cents per hour higher than they were in January. Real weekly earnings, and real spendable earnings are also below what they were last April. So that we have been getting an impression that the worker is better off, but if you make the seasonal adjustments he is not better off at all, he is not making any progress, and you can even argue that compared to last April he is not doing as well.

I am told the seasonally adjusted data has only become available in the last few months. I assume, however, that you feel the seasonally adjusted data is reliable or you would not be publishing it. Is that a fair assumption?

Mr. MOORE. Very definitely. I am greatly in favor of seasonally adjusted data. I think in this case what it helps to do is to show better the trend in earnings after allowing for temporary factors such as a seasonally high work week or seasonally high amounts of overtime or other factors such as change in the composition of the work force that may raise or lower the overall average. So the seasonally adjusted figures, I think, are more comparable from 1 month to another, and give you a better indication of the trend.

Now, the August figures, which we report in today's release, show for hourly earnings an increase of 2 cents, and for weekly earnings an increase of a \$1.12 to \$137.23, both before and after seasonal adjustment.

Chairman PROXMIRE. Those are in current dollars, not real earnings, is that not right?

Mr. MOORE. That is right. We do not—

Chairman PROXMIRE. So you have to correct that for the inflation.

Mr. MOORE. Well, we do not have the consumer price index for August, so we cannot correct that figure.

Chairman PROXMIRE. So you do not know whether it is an improvement or retrogression, it could be worse.

At any rate, since we now do have this valuable seasonally adjusted data available, would it not be helpful to feature it more prominently in the press release? At the very least, should not the first page of the release have indicated that the data cited are not seasonally adjusted?

Mr. MOORE. Well, I would like to consider that. We do think about that quite a bit, and as seasonally adjusted figures get to be better known, as they are now in the case of prices, and as they may become in the case of earnings, I think we will give them more prominence.

One problem that we always face when introducing new seasonally adjusted data is that people say "Well, I do not earn seasonally adjusted dollars, and I do not pay seasonally adjusted dollars when I buy something," and that is, of course, true. But from the economist's standpoint, I think seasonal adjustment is a desirable adjustment.

Chairman PROXMIRE. From everybody's standpoint the only way you can put that into a comparative context to make any sense at all is seasonally adjusted, otherwise the distortions are very great.

Mr. MOORE. I agree with that.

Chairman PROXMIRE. Do you feel that the fact that real earnings have not been rising in the last 3 months (after seasonal adjustment)—indeed have been declining—is a reflection of the workings of the wage control program, or are there other factors to explain the decline?

Mr. MOORE. Well, up through July there was not very much increase in the work week in the last 3 months, and that, of course, held down the increase in weekly earnings. On the control side I do think there is evidence that the control of pay has had some effect. It is especially evident in the construction industry, and that may have had some influence as well.

Chairman PROXMIRE. Mr. Moore, some of the most valuable data that the BLS publishes is that which you call "work experience of the labor force." The 1971 data was made available just a few weeks ago. This data showed nearly 16 million different people experienced unemployment at some time in 1971. That is a figure that, by and large, people are not aware of. They think 5 million people out of work, they do not realize 16 million people of the work force of 80 million, roughly 16 percent, were out of work during 1971.

Over 2 million of these people spent 6 months or more actively seeking work, and many of these never did find a job.

Once you stop and think about it, it is obvious that the people unemployed in 1 month are, in part, different individuals than those who were unemployed the previous month. So, when you add up all the different individuals who were unemployed in different months, you get a far higher total than the average number unemployed in any 1 month.

The trouble is that so few people stop and think this through. They go by the average monthly figures and conclude somewhat unthinkingly that unemployment touches only 5 to 6 percent of the labor force. In fact, 16 percent of those who worked or looked for work had some experience with unemployment in 1971.

My one concern with the BLS release containing this data is that too few people see it and understand its significance. What can be done to draw attention to this important information?

Mr. MOORE. I guess that is partly up to the media. They could pay more attention to it themselves. We do release it. I think it is important that when it is released that people understand what it means, and we try to make it as clear as we can. The fact, of course, that many people are unemployed during the year, many more are unemployed during the year than the average number that are unemployed at any given time—about three times as many—means, of course, that some of those people who are unemployed part of the year worked part of the year. That is, they had jobs part of the year and were unemployed the rest of the year or another part of the year. So that the average length of time over which they were unemployed is substantially shorter than the average length of time over which, say, the 5 million people who are unemployed as of any given month have been unemployed. So I think you need to take into account both the length of unemployment and the number of people who experience unemployment.

Of course, too, the longer the interval over which you put such numbers together—and here we take a year—if we took it over 2 years you would have a lot more people experiencing some unemployment over 2 years than over 1 year. So it does depend on the interval over which you are measuring the numbers.

So with those kinds of explanations of the meaning of the numbers, I would certainly like to give the information more attention. We do learn a lot from it about how the labor market works.

Chairman PROXMIRE. Last month Congressman Moorhead asked that you supply for the record some information about unemployment among blacks by city. We have now received that information, which will be put in the hearing record. Some of the data is pretty discouraging. Black unemployment in the central city of Cleveland was 18 percent last year; Detroit, 14 percent; and Los Angeles, 14 percent.

Does this data come from the same monthly current population survey which produces the national data on employment and unemployment?

Mr. MOORE. These were for the year, did you say?

Chairman PROXMIRE. Yes, that is right.

Mr. MOORE. Yes, those figures come from the monthly—

Chairman PROXMIRE. Population survey.

Mr. MOORE (continuing). Population survey, and are averaged over the year.

Chairman PROXMIRE. Now, these unemployment figures, I presume, include only those who meet the BLS definition of unemployment—that is, those who have actively looked for work during the past 4 weeks.

It seems a logical presumption that there would be a high percentage of discouraged workers among central city blacks; that is, people who have given up hope of finding a job and there would also be a high percentage of those who are working part-time for economic reasons, that is, can only get jobs working 15, 20, 25 hours a week, so they have pitifully inadequate incomes. Do you have any data at all on either of these statistics, discouraged black workers and part time for economic reasons?

Mr. KAITZ. Surely, data exists in the records but we have not obtained tabulations of data on discouraged workers on an area basis from these statistics.

Chairman PROXMIRE. Or on a minority basis?

Mr. KAITZ. Well, either white or black or other races. For neither of those.

Chairman PROXMIRE. You say you do not have it on an area basis?

Mr. KAITZ. That is right.

Chairman PROXMIRE. But you have it for the Nation as a whole?

Mr. KAITZ. That is right.

Chairman PROXMIRE. For blacks and other minorities?

Mr. KAITZ. Yes, we do.

Chairman PROXMIRE. What does that show? Does that show about the same proportion of discouraged workers, that is, about twice as many blacks and other minorities as whites as it does?

Mr. KAITZ. I think proportionately it is somewhat higher but Mr. Moore has a table here.

Mr. MOORE. If I can find it.

Chairman PROXMIRE. When you find it put it in the record.

I would like to ask you this. A few weeks ago I saw a letter in the Washington Post which suggested that BLS could, and should, develop a series on labor force time lost among blacks, both nationally and in the 20 largest cities. Would it be possible for you to do this? Have you given consideration to doing it?

Mr. MOORE. If I may answer the previous question.

Chairman PROXMIRE. All right.

Mr. MOORE. I do have a table here which shows for the Nation as a whole the number of whites and blacks separately, who in 1971 thought they could not find a job or thought none was available. The number for whites was 394,000, the number for blacks was 145,000. As a percentage of the entire population 16 and over, it comes to three-tenths of a percent for whites and nine-tenths of a percent for blacks—about three times as high for blacks.

(The table referred to above follows:)

(In order to properly interpret the table, Mr. Moore supplied for the record the article in which the table appeared, from the Washington Post, September 11, 1972.)

“HOW MUCH BLACK UNEMPLOYMENT?”—SOME STATISTICS

(By Geoffrey H. Moore¹)

On editorial in The Post of August 10, “How Much Black Unemployment?” states that the real issue “is not statistical methodology, but whether the government is trying to define black unemployment in a realistic way and with the kind of accuracy that will enable it to mount an effective attack on the problem.” Since the Bureau of Labor Statistics has a major responsibility for such statistics, let’s take a look at the definition and some of the fact we do provide.

Black unemployment is defined in presently the same way as white unemployment—the number of persons without a job who have been seeking work within the past four weeks and are available for work.

The work-seeking availability definition has been followed in essentially this form for more than three decades. The last official commission to consider the matter, appointed by the late President Kennedy in 1961, specifically recommended that this type of definition be retained in the interest of objectivity and insuring that those counted as unemployed have had some recent contact with the job market.

Need for work, therefore, because of the difficulty of measuring it objectively, does not enter into the definition of unemployment at all. Nor does the definition take into account what a person is doing to find work; whether he has turned down a job offer; whether he is rich or poor; whether he is getting unemployment insurance; whether his major activity is going to school; whether he wants a full-time or part-time job, or a temporary job; whether his spouse is working; whether he quit his job, was laid off, or never had a job before. The definition does rule out those who have given up seeking a job because they believe none is to be found, or for any other reason.

In 1971 about 56 per cent of the white population aged 16 and over was employed, compared with 54 per cent for blacks and other races. This may seem like a surprising small difference, in view of the more commonly cited figures about the black employment situation. Yet it is a fact that, year in and year out, somewhat more than half of the population over 16, both blacks and whites, have jobs. The percentage, which is in effect employment per capita, has as a rule been higher for blacks than for whites, but not by more than a percentage point or two. But this doesn’t tell the whole story.

The percentage employed part-time because of slack work or other economic reasons was twice as great for blacks (3.4 per cent) as for whites (1.7 per cent). Fewer blacks whose major activity was going to school were employed (0.9 vs. 1.6 per cent) and relatively more were unemployed (0.5 vs. 0.3 per cent). The proportion of blacks unemployed (5.9 per cent) was nearly twice as large as that of whites (3.2 per cent). (These percentages differ from the official unemployment rate, which is calculated by dividing the number unemployed by the civilian labor force (employed plus unemployed) rather than by the population. In 1971 the rate was (9.9 per cent for blacks, 5.4 per cent for whites). In addition, more than twice as many blacks, relatively, want a job now even though they are not actively seeking one. Lack of job availability is given as a reason for not seeking work for nearly one per cent of blacks, but by only one-third of one per cent of whites. School attendance, ill health, and family responsibilities prevent job seeking by twice as large a percentage of blacks as of whites.

¹ The writer is Commissioner of the Labor Department’s Bureau of Labor Statistics.

What may come as a surprise to some, is that a larger proportion of blacks than of whites are job-oriented; those employed plus those seeking work (unemployed) plus those wanting a job but not actually seeking one constituted 66 per cent of the black population, 62 per cent of the white population. This may reflect the great affluence of the white population and also the greater prevalence among blacks of households headed by women, who therefore work, seek work, or want work. But it helps dispose of the myth that blacks are less interested in jobs.

It is clear that besides the unemployed, some of the groups are likely to be aided by an increase in the demand for labor. This is true notably of (a) those who are employed part-time for economic reasons and (b) those who want work but are not actively seeking a job because they could not find one or think none is available. On the other hand, some groups who want work now may *not* be particularly helped by an increase in demand for labor, i.e., those who want work but are prevented from seeking or accepting a job because of ill health or family responsibilities. Better health care facilities, or day care facilities, may be the essential solution here.

Hence to combine into one statistic those who are seeking work and are available for work—i.e., the unemployed—with those who want work but are not available does not help to clarify the issue. The numbers would be larger but they are less meaningful.

If the unemployment concept is enlarged the relative position of blacks and whites may not be greatly changed. For example, giving smaller weight among the unemployed to those who are seeking only part-time work, and at the same time including, also at reduced weight, those who are employed part-time for economic reasons, as the Bureau does in its published measure of per cent of labor force time lost, would produce a larger percentage for both blacks and whites. The same thing is true over time; enlarging the concept now will produce larger numbers both now and in the past as well.

My own view of the appropriate role of a government statistical agency is that we should take great care in making changes in concepts, so that confidence in the integrity of the data is maintained, and comparisons with earlier records are facilitated. At the same time, we are alert to the need for new series, and try to make the data available in as much detail as is consistent with accuracy so that those who wish to use them in various ways can do so.

CHARACTERISTICS OF THE WORKING AND NONWORKING POPULATION, 1971¹

| Employment status | Number (in thousands) | | Percent of population | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | White | Negro and other races | White | Negro and other races |
| 1. Employed: Total..... | 70,716 | 8,403 | 55.7 | 53.7 |
| Major activity—going to school ² | 1,993 | 141 | 1.6 | .9 |
| Major activity—other..... | 68,723 | 8,262 | 54.1 | 52.8 |
| Employed full time..... | 58,489 | 6,844 | 46.1 | 43.8 |
| Employed part time, voluntary..... | 8,116 | 889 | 6.4 | 5.7 |
| Employed part time, economic reasons..... | 2,119 | 529 | 1.7 | 3.4 |
| 2. Unemployed: Total..... | 4,074 | 919 | 3.2 | 5.9 |
| Major activity—going to school ³ | 444 | 85 | .3 | .5 |
| Major activity—other..... | 3,630 | 834 | 2.9 | 5.3 |
| Seeking full-time job..... | 3,127 | 742 | 2.5 | 4.7 |
| Seeking part-time job..... | 503 | 92 | .4 | .6 |
| 3. Civilian labor force (lines 1 and 2)..... | 74,790 | 9,322 | 58.9 | 59.6 |
| 4. Armed forces..... | 2,499 | 318 | 2.0 | 2.0 |
| 5. Total labor force (lines 3 and 4)..... | 77,289 | 9,640 | 60.9 | 61.6 |
| 6. Not in labor force: Total..... | 49,670 | 5,997 | 39.1 | 38.4 |
| Want job now, but not seeking one because..... | 3,438 | 965 | 2.7 | 6.2 |
| Could not find job or think none available..... | 394 | 145 | .3 | .9 |
| Think cannot find job, personal reasons..... | 197 | 39 | .2 | .2 |
| In school..... | 973 | 268 | .8 | 1.7 |
| Ill health, family responsibilities, other..... | 1,876 | 512 | 1.5 | 3.3 |
| Do not want job now: Total..... | 46,231 | 5,028 | 36.4 | 32.2 |
| In school..... | 5,431 | 942 | 4.3 | 6.0 |
| Not in school..... | 40,800 | 4,066 | 32.1 | 26.1 |
| 7. Total noninstitutional population, 16 and over..... | 126,959 | 15,637 | 100.0 | 100.0 |

¹ Editor's note: To arrive at the number of discouraged workers, two categories must be added together: "Want job now, but not seeking one because could not find job or think none available" and "Want job now, but not seeking one because think cannot find job, personal reasons." For 1971 the number of discouraged workers is as follows: White, 591,000; Negro and other races, 184,000; Total, 775,000.

² 93 percent of whites and 90 percent of Negro and other races in this group were employed part time, voluntarily.

³ 86 percent of whites and 81 percent of Negro and other races in this group were seeking part-time jobs

Chairman PROXMIRE. They suggested the 20 largest cities. Maybe you could reduce that somewhat. Certainly, cities of the size of Chicago, Los Angeles, New York, the sampling problem would enable you to get representative samples, would it not?

Mr. MOORE. Do you have any feeling on that, Mr. Kaitz?

Mr. KAITZ. I think we could produce something like that for the record for certainly the larger cities. As a matter of fact, there are some other ways of tackling this. If we are looking for structural problems rather than temporary economic problems, we can do things like taking 2-year averages which would increase the reliability. So we do have other methods.

Chairman PROXMIRE. We would appreciate if we could get some information on it at this time, if you can develop it on a regional or an area basis.

(The following information was subsequently supplied for the record:)

BLS tabulations for individual regions, States, and areas do not provide estimates of labor time lost by either white or black workers, or for the development of estimates of the numbers of discouraged workers. The data are in the basic records, but the computer programs do not yield the necessary tabulations. National estimates of labor time lost for white and black workers, and of the numbers of discouraged workers, are available since the necessary underlying data have been tabulated. In general, the tabulation detail for national data is far greater in all respects than for any regional or area data, largely because of the large sampling errors in the latter.

Chairman PROXMIRE. You do not have the figures on part-time workers?

Mr. MOORE. Yes, I have. For those employed part time for economic reasons, there were 2,119,000 whites, 529,000 blacks. The percentage of the whole population of whites in this group was 1.7, and for blacks it was 3.4. There the ratio is about 2 to 1, as it is for unemployment.

Chairman PROXMIRE. So, when we add the roughly 10 percent blacks unemployed and nine-tenths of 1 percent discouraged, and was it 3.4?

Mr. MOORE. 3.4.

Chairman PROXMIRE. 3.4 percent who were working part time, that adds up to close to 15 percent unemployed one way or another, at least lacking the opportunity to work full time.

Mr. MOORE. Well, sir, in the case of—

Chairman PROXMIRE. At any rate, what was requested in this letter and I think it would be very helpful to have it broken down by city, I think it is so much more useful for Congress and for mayors and for Governors and others to work on policies when they know within their city what kind of a problem they face with respect, especially with respect to minority groups.

Mr. MOORE. The problem there is the sampling problem. As you see, these are very small percentages of the total population.

Chairman PROXMIRE. Now, just yesterday I received a letter from you pointing out a small, I think it was small, inaccuracy in this committee's midyear report, midyear economic report. First, let me say I am glad you have seen our report. I hope others in the Administration have seen it, too. That report has a message to convey about the importance of creating more jobs. We are always pleased when we find we have any kind of an audience.

Second, let me thank you for the trouble you have taken to try to keep us accurate. In the report we said "on the average, a billion dollars spent on defense purchases creates less than 60,000 jobs." We should have said "a billion dollars spent on defense purchases from the private economy." I am very glad to have that important distinction pointed out. Just to be sure I have this absolutely clear in my mind, let me ask you this. If we pay Lockheed, for example, \$1 billion toward the production of C-5A aircraft, that would be classified as \$1 billion of defense purchases from the private economy. Is that right?

Mr. MOORE. Yes, sir.

Chairman PROXMIRE. Now, according to your BLS estimates, such purchases as these from the private economy, create, on the average, less than 60,000 jobs per billion of expenditure. Is that right?

Mr. MOORE. For purchases from the private sector, yes, sir.

Chairman PROXMIRE. So, for each billion spent on purchases of C-5A's, F-14's, aircraft carriers, missiles, and so forth, less than 60,000 jobs are created. Whereas, each \$1 billion spent on education—which includes direct payment of salaries by State and local governments as well as purchases from the private economy—an average of over 100,000 jobs is created. Is that right?

Mr. MOORE. Well, if you include in the purchases by the State and local governments for education their direct employment, which was not included in the case of the defense purchases, yes, the figure is 100,000.

Chairman PROXMIRE. Let us make it comparable.

What we want to know is—one of the very serious problems, I think which, develops if these hearings have any significance at all, is what kind of policies the Federal Government can develop to reduce unemployment by providing more jobs and one of the conclusions that some might draw to on the basis of the statistics you gave us is that expenditures in the educational area might or might not yield more jobs than in the defense area. I want to make this as comparable as we can, and you are working, as I take it, on the study based on my request last month, are you not? I think that—

Mr. MOORE. Yes, we are continuing to work on that subject, yes, sir.

Chairman PROXMIRE. We wanted to know the impact of changes in spending on jobs, and we asked for you to develop that for us, if you could.

Mr. MOORE. Well, it is a very difficult job to do, and I am not sure that we have the resources that we need to do it but we are working at it and hope to accomplish something with it.

Chairman PROXMIRE. You see it makes sense, if the Federal Government is going to spend money in a capital intensive area, you create less jobs than if you spend it in a labor intensive kind of sector, is that not right?

Mr. MOORE. Well, that certainly is the tendency. But the point of my letter was that if you limit both categories of expenditures, defense purchases and State and local government expenditures for education, to what they buy from the private sector, then the difference between them in the number of jobs created per \$1 billion is relatively small.

If you expand them both to include the direct employment, both in the defense case and in the State and local case, there also the differences are very small, although both of them are larger.

Chairman PROXMIRE. Well, let me get back and see if we can find out exactly what we are saying. When we are saying, as I recall, \$1 billion of defense expenditures in the private economy creates 57,000 jobs, I think that was the figure you had, 57,000, while \$1 billion spent on educational services in the private economy creates 104,000 jobs.

Mr. MOORE. No, that is not the case for \$1 billion spent on education for services from the private economy. We do not have a separate figure for that. We do have one for all State and local government functions for purchases from the private sector, and that figure comes out to slightly more than 60,000, very similar—

Chairman PROXMIRE. What was the 104,000 figure?

Mr. MOORE. That is for all purchases by State and local governments including the direct employment of mainly teachers in the case of education or firemen or policemen, in the case of other functions, and not just what they buy from the private sector.

Chairman PROXMIRE. So, as long as we say we are measuring \$1 billion spent in procurement of weapons we will create some 57,000 jobs. A billion dollars that is spent for educational services, including teachers salaries and so forth, will create what?

Mr. MOORE. A little more than a 100,000.

Chairman PROXMIRE. A little more than 100,000. All right.

Mr. MOORE. My point was you have to be careful about the language because the numbers change dramatically depending on what you include.

Chairman PROXMIRE. Well, I would appreciate it very much if you would provide as much information in this area as you could, whether we have President Nixon or President McGovern or whoever we have, I think one kind of information that would be enormously valuable to the President, the new President and the Congress, would be knowledge as to the impact of Federal spending on job creation. Everybody, both parties are very anxious to have as one index of the efficiency of our Federal spending how many jobs it creates, and any work that you can do in this area would be very, very valuable to us.

Mr. MOORE. Well, I am heartily in favor of it too, Senator.

Chairman PROXMIRE. I want to thank you very much, Mr. Moore. As I say, next month we will expect to have present some expert economists who are very concerned about the integrity of our statistics and I would appreciate it if you would be prepared to—

Mr. MOORE. Will they make their appearance before this 11 o'clock session?

Chairman PROXMIRE. Yes; and I would like, if possible, to have some give and take if we can do that because I think it would be most helpful because if they appear, make their statement and then you appear and rebut it and that is it, I think we will be less informed than if there can be some back and forth response and perhaps some agreement on just what has happened in the last year and a half to our economic statistics.

Mr. MOORE. Are you ready to identify who these individuals are?

Chairman PROXMIRE. Well, one is Mr. Hauser, and I understand that there are at least four committees that have been working in this area that are very concerned about this, and we just are not sure what other critics, if any, we will have here to discuss this.

Mr. MOORE. They will direct their remarks to the Bureau of Labor Statistics?

Chairman PROXMIRE. That is my understanding.

Mr. MOORE. Well, I will be ready.

Chairman PROXMIRE. Yes. I think this is something of great importance to you and to me and to all of us.

Mr. MOORE. Absolutely.

Chairman PROXMIRE. Fine.

The committee will stand adjourned.

(Whereupon, at 11:50 a.m., the committee was adjourned, subject to the call of the Chair.)

(The following information was subsequently supplied for the record by Chairman Proxmire:)

COMMUNITY SERVICE SOCIETY,
New York, N.Y., August 22, 1972.

HON. WILLIAM PROXMIRE,
Joint Economic Committee, Congress of the United States,
Washington, D.C.

DEAR SENATOR PROXMIRE: We are enclosing a copy of our Committee's letter of August 18 to the U.S. Secretary of Labor, James D. Hodgson, asking that the Bureau of Labor Statistics continue revising and publishing standard family budgets for urban families and retired couples, as well as their cost estimates.

For the very important reasons stated in our letter we appeal to you to use the influence of your committee to urge Secretary Hodgson to comply with our request.

Sincerely,

BERNARD C. FISHER,
Director, Department of Public Affairs.

Enclosure.

COMMUNITY SERVICE SOCIETY,
New York, N.Y., August 18, 1972.

HON. JAMES D. HODGSON,
Secretary of Labor, Department of Labor Building,
Washington, D.C.

DEAR MR. SECRETARY: We believe it would be a grave error for the Bureau of Labor Statistics to discontinue developing and publishing objective data on the standards of living and their costs. We know of no other governmental or private organization better equipped to collect national data on expenditures and translate these into meaningful recommendations as to the needs of a standard of living with estimated costs.

As the Bureau of Labor Statistics well knows, these data are important for the use of social scientists, to the programs of governmental and non-governmental agencies, business enterprises, labor unions and research institutions. Our own organization uses your standards and cost data to measure changes in the standard of living, to measure income adequacy, to determine differences in living costs among families and as a guide in individual family counseling.

We do not believe the proposed cost-of-living oriented index is an effective substitute for the standard family budgets for urban families and retired couples.

Last December we pressed for the publication of the cost estimates for urban family budgets and for retired couples. We now urge continued revision of the standards on which the cost estimates are based, as well as their publication.

Sincerely,

ARTHUR GABSON,
Chairman, Committee on Aging.
MRS. C. REYNOLDS PRATT,
Chairman, Committee on Family and Child Welfare.

FEDERATION OF JEWISH PHILANTHROPIES OF NEW YORK,
New York, N.Y., August 28, 1972.

Senator WILLIAM PROXMIRE,
Chairman of the Congressional Joint Economic Committee,
Washington, D.C.

DEAR SENATOR PROXMIRE: We are writing with regard to the stated intention by Mr. Geoffrey Moore, Commissioner of the Bureau of Labor Statistics, to discontinue publication of the cost of various types of family budgets. Such a step would deprive our many affiliated agencies of data which has been vital to them in providing social services to individuals and families. We would like to urge that you make every effort to insure the continuation of the publication of the estimated cost of family budgets at the low, intermediate and moderate income levels.

The cost of the family budgets which the Bureau of Labor Statistics has been publishing has been most helpful to our agencies in many different ways. They have provided our agencies with benchmark figures by which to measure the relative income of the families they serve and to determine their need for assistance. The data have been utilized regularly by our agencies in the development of fee scales, in determining eligibility for different types of services and in evaluation of the economic status of their clients. Over the years these figures have been helpful in communal planning by providing a base for comparing living standards within various groups of clients whom we serve. The Bureau of Labor Statistics figures provide us with a base for evaluating the adequacy of services of our agencies in relation to the needs of families.

The nature of the data necessary to establish adequate budgets at these different levels and to determine the cost for a family is too complex for our individual agencies to develop. It is important that such data, to be meaningful and useful, be established on as broad a population base as possible. Such an undertaking would not be possible either by the Federation of Jewish Philanthropies or its constituent agencies. It is urgent that we continue to have information on what it costs an American family to live in the various areas we serve.

The Bureau of Labor Statistics has provided invaluable assistance to our many constituent agencies. We hope it can continue to do that. We urge that the information on the costs of family budgets at low, intermediate and higher levels be continued to be published and made available through the Bureau of Labor Statistics to the entire community.

Sincerely yours,

SANFORD SOLENDER,
Executive Vice President.

CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, OCTOBER 6, 1972

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10:05 a.m., in room 1202, New Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senators Proxmire and Percy; Representatives Conable and Blackburn.

Also present: John Stark, executive director; Loughlin F. McHugh, senior economist; Lucy A. Falcone and Jerry J. Jasinowski, research economists; George D. Krumbhaar, Jr., and Walter B. Laessle, minority counsels; and Leslie J. Bander, minority economist.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

Today the Joint Economic Committee holds its monthly hearing on the employment and unemployment situation. Since the committee began holding these hearings early in 1971, the unemployment rate has shown little improvement, and yet at times it seems that the public has become inured to the continued excessive rates of unemployment. At 5.5 percent, there are still almost 5 million workers who are unable to find jobs.

The enormity of our unemployment situation is highlighted even more, however, when we compare the U.S. performance to that of other major industrial countries. In the last 3 years, the United States has had the highest unemployment rate among the 11 major industrialized nations except for Canada which is largely dependent on our economic performance. In almost all of these countries the rate of unemployment was below 3 percent in the last 3 years and in the majority it averaged below 2 percent.

The committee continues to invite officials of the Bureau of Labor Statistics and its technical experts to appear before us so that the press and public, in addition to the Congress, will continue to be informed on the latest unemployment developments.

As you know, our hearings were initiated after cancellation by this administration of the regular monthly press briefings by the BLS technical experts. These briefings have not been restored, and today the committee will once again examine the issue of politicization of statistical releases. As one of our witnesses this morning has said.

I know of no administration in which some zealous politician or politically minded press relations 'eager beaver' did not, at some point, try to impair the

integrity of statistical reports; but never have I witnessed as widespread and insistent efforts to politicize the statistical enterprise.

Our first witness this morning is Mr. Philip M. Hauser of the Population Research Center at the University of Chicago. Mr. Hauser recently presented a paper entitled "Statistics and Politics" before the American Statistical Association from which I quote a short passage. Mr. Hauser is particularly qualified to testify today since he has served as an Assistant Director of the Census Bureau.

Let me say, Mr. Hauser, that I have read that remarkable, hard-hitting statement that you made recently, on August 15, 1972, prepared for the Annual Meeting of the American Statistical Association. And you have, I think, a rather balanced presentation, but a series of very serious charges. You say, among other things:

The imposition of political clearance procedures for members of statistical as well as other advisory committees.

Citing the instances which have occasioned suspension of undue political pressure. You say:

This initiated a widespread search for Republican statistics, demographers, and other scientists.

And then you go on to say in a second charge:

The placement within the Bureau of Census of five persons who are not inaccurately described as "political commissars," whose function it was to oversee statistical operations and analyses. In one fragrant situation the Assistant Chief of one of the Census divisions was preemptorily moved from his office for the convenience of the political functionary who was then provided with amenities not previously afforded the assistant division chiefs.

You say you have the names of the five political functionaries now reduced to two, and the pressure brought to bear.

And then you say:

The collapse of morale among statisticians in a number of agencies by reason of the "reign of terror" generated by the presence of political functionaries placed at the statistical operation and analytical levels. This, of course, is one reason for the premature retirement of many able career service statisticians.

And finally you say:

The tendency to delay or withhold statistical reports deemed adverse to the interests of the administration.

In addition, you conclude, Mr. Hauser, that there is reason to feel that these actions constitute a deliberate effort to place into statistical agencies an ideological point of view comparable to the placement of conservatives and strict constructionists on the Supreme Court.

And you do balance this by pointing out that the administration record is not completely black, that there were attempts on the part of some to protect the integrity of statistics within the administration.

For example, you say:

Pressures brought to bear by OMB upon the Department of Commerce and the Director of the Census to eliminate three of the five politically functionaries placed within the Census Bureau. Of the two that remained, one, I understand, achieved Civil Service status and in a new role, hopefully, this person will govern the government as a professional rather than a political overseer.

I take some time to go into that, Mr. Hauser, because I think it is a very, very powerful indictment by an able and fairminded person. And, of course, nothing is more important to the functioning of this

committee, and I think to the functioning of our economy, than to have information honest and accurate and reliable.

Mr. Hauser, the floor is yours. When you finish, before we go into questions, I am going to ask Mr. Stanley Ruttenberg to join you.

Mr. Ruttenberg, why don't you come up now, and then we will call on you right after we hear from Mr. Hauser.

Go right ahead.

STATEMENT OF PHILIP M. HAUSER, POPULATION RESEARCH CENTER, UNIVERSITY OF CHICAGO, CHICAGO, ILL.

Mr. HAUSER. Thank you, Mr. Chairman.

May I say at the outset that I appreciate this opportunity to appear before you, because as a statistician and a social scientist I feel that nothing is more important professionally than to maintain the integrity and probity of Government statistics. I will proceed with what I have to say on the assumption that statistics must be regarded as hard facts which are to serve as the basis for policy formation, and for the administration and evaluation of programs. This is true not only within the Government sector but also in the private sector.

Consequently, anything that is done to distort the statistical product, in effect, deprives the public of the hard fact prerequisite for policy formation and, as I say, the administration and evaluation of programs.

Now, I have in my paper, to which you referred Mr. Chairman, listed 12 different kinds of specific activities which certainly give rise to questions about whether or not there isn't a direct effort to politicize statistics at the present time. I might have added two more. For example, since I wrote this paper it is perfectly clear that statisticians in the Bureau of the Census are forbidden to discuss in public problems of underenumeration of the census. Restraints have been imposed upon them of the type which I have not known to be the case since the early 1940's. It happens that I have been connected with statistics in government, both as a producer and a consumer now, for over 42 years. And I must say I am startled by regulations which forbid census statisticians from openly discussing the extent to which there is underenumeration in the census.

There has been great progress in measuring underenumeration. I am a little puzzled, with suspicions naturally arising, because those elements of the population which are most underenumerated are the minority groups, the poor, the blacks, the chicanos, the American Indians, and so on. And efforts, perhaps, to suppress consideration and discussion of the data may, I think, justifiedly at least result in the suspicion that an effort is being made to obscure what the facts are.

There are Federal programs, of course, literally involving hundreds of millions of dollars aimed at the alleviation of the distress of the minority groups whose interests obviously can be adversely affected through such undercounts.

Another item which has come up since I wrote my paper, and which received some newspaper attention, was that relating to the agriculture statistics. One of the statisticians in the Department of Agriculture indicated that what was being published on net agricultural income did not take into account certain types of expendi-

tures, and the Department proceeded to publish them despite the fact that this question had been raised.

Now, what I should like to point out, without reading my paper, Mr. Chairman, is that as I see it, there are at least seven ways in which statistics can be politicized or distorted so as to obscure what the facts actually are. As far as I can see, there is pretty good suspicion for believing that this administration has availed itself of all seven methods of distorting the statistics.

The first, and in my judgment, the most reprehensible, is the appointment of what I have referred to as political commissars which occurred in the Bureau of the Census.

To place representatives of the Republican Party National Committee at the operating levels where statistics are collected, produced, tabulated, and analyzed, is in effect perhaps the most reprehensible type of behavior, because it is at that stage where statistics are being produced that the distortion can be the greatest, and that the public, and for that matter the professional statistician outside the Government service, have little opportunity to make the necessary corrections.

And as you have already pointed out that there were five such political commissars placed in the Bureau of the Census, three of whom have since been removed by reason of internal pressures within the Government itself.

May I say that within the administration itself there is a struggle between the professional statistician who does have professional élan and responsibility, and the public relations eager beavers and petty politicians, so to speak, who couldn't care less about the integrity of the statistical product.

A second type of politicizing is possible through the appointment of advisory committees. And in some 42 years of contact with the Federal Government, never have I known the kinds of clearances that are now being demanded by this administration for members appointed to advisory committees.

Now, the adviser is presumably some professionally competent person who is called in to represent an outside view and a wide disparity of views with respect to what is to be collected, what is to be tabulated. They are appointed to help the census statisticians and Government statisticians in general determine what is significant from the standpoint of needs of the Government, needs of the private sector, and the needs of the public at large. And it seems to me that to insist on political clearances for the advisory committees will have—as a matter of fact, may I state quite definitively—as I think, as the naming of the new advisory committees in the Census Bureau will indicate, the assembling of personnel who do not have the professional competence and who do not have the professional qualifications to perform that advisory function.

Now, it might be said that the appointment of political personnel at the operating levels, or on advisory committees, at the best, or shall I say at the worst, represents simply an extension of political patronage not unknown in this country or in this Government. However, it would seem to me to be very serious public policy problems that are raised when such personnel is placed in these sensitive spots that can affect the probity of the statistical product.

A third way of politicizing statistics is, of course, through elimination of some of the more sensitive, say politically sensitive types of

data. As I have indicated there are pros and cons about this, but the elimination of poverty neighborhood employment data during the past year and this political year at least raises the suspicion about whether or not the continued publication of such unemployment data, as those which indicate that youth under 25 in black poverty neighborhoods may be from 40 on to 60 percent unemployed, may be an effort to, shall I say, prevent unpleasant facts from being revealed during an election year.

Now, I am quite aware of the fact that there are technical problems about those data arising from the necessity to change the sample. However, may I say in a definitive way, that were it deemed desirable to maintain such statistical data by this administration, that these technical problems could have been resolved.

Moreover, this series could have been maintained to be sure at additional cost, despite the fact that it is alleged, and it is true, that some of the statisticians agreed on the elimination of these data during a year when the sample was being shifted from the 1960 to 1970 census base.

I think there is at least reason to believe that the kind of pressures being brought to bear on the statisticians may well have affected their judgment. At least I go on the assumption that where there is as much smoke as there is on this horizon, it is certainly reasonable to look for fire.

A fourth way in which statistics can be politicized, and are now being politicized, is in consideration of the problems of statistical error. Now, all statistical product is subject to error. I suppose the major function of the professional statistician is to know how to deal with the error, so as to reach valid conclusions taking the potential error into account. May I say on this subject that there is a relevant example reported in the New York Times this morning involving the government statistics released yesterday on the wholesale price index. It is an excellent sample of how statistics can be used to make a case, to make the government look good, as distinguished from presenting what the facts are. All you have got to do is contrast the interpretations given by representatives of this administration as reported in the New York Times article this morning with the content of the release as reported in the New York Times as written by the statisticians. A great deal is made by the administration from the fact that the increase in the wholesale price index for this month is not as great as that in the preceding month. But in the administration interpretation nothing is said about the fact that the wholesale price index for this quarter was greater than in the preceding two quarters of this year.

Now, may I say this represents a fifth form of political citation; namely, interpretation. In my judgment this is perhaps less reprehensible than the others to which I have referred, because if the administration, shall I say, makes a case for itself, instead of indicating what the total story is, it is possible for the opposition, and it is possible for other statisticians, also to interpret the data, and to make the necessary corrections. This alternative interpretation, as a matter of fact, is being reported in the New York Times this morning. Interpretation is a way to distort data, but at least that is open, the public can deal with it, other people can deal with it. What is more reprehensible are the types of politicizations that occur at the operating

levels where neither the public nor the outside statistician has access to what is going on.

Now, the treatment of error involves such consideration as this. If the unemployment rate goes up by one-tenth of 1 percent, or down by one-tenth of 1 percent, any statistician knows that this really means there has been no significant change. And it is a little absurd, in the light of sampling error, to find treatments of the data which indicate unemployment is going up or going down, when you have got changes within the range of sampling error itself; or to stress the monthly change when the quarterly change which would stabilize the data is a much more valid indicator of what is going on.

Then two other very quick references. Another way to distort the statistics is with respect to labeling. And here you have almost the same kind of problem that confronts the Federal Trade Commission in respect of consumer products. By order of this administration, the Census Bureau is enjoined from using the term "poverty" in its annual poverty releases. This, incidentally, has some rather interesting facets. Perhaps this is the way to abolish poverty in the United States, by simply abolishing the use of the term, which is what the Census Bureau has been instructed to do. The Bureau still publishes releases on low income population, but is forbidden to use the term "poverty" in the title of its report.

Now, here again, to be fair, I think it is the job of the statistician to be as neutral as possible. It may be that this administration is as justified to forbid the use of the term "poverty" as the preceding administration was to use the term "poverty" for the low income population. But since poverty had been used in these releases for a decade, to take the action to expressly forbid its use would indicate the politicalization is certainly taking place.

And finally, with respect to timing of releases, I think the Office of Management and Budget is to be commended for Circular A91, the most important element of which perhaps lies in the provision that at least an hour must elapse between the release of the statistical report by the statistician and so-called interpretation. And I think this distinction, Mr. Chairman, is a very important one for your committee to bear in mind.

I would close this presentation by making the observation that the statistician, as a professional man with integrity and probity, should be permitted, without any kind of political interference, to produce the statistical product. I think what is most reprehensible, and what has occurred within the last several years, is that there has been political pressures brought to bear below the level of the interpretation.

Now, once the product is produced, I have no quarrel with this administration or any other one interpreting the results as they please. That is in the realm of the public. And if they distort in their interpretations, opposition can easily correct the distortion. But it is that kind of pressure that is brought to bear on the operating level which has literally terrorized many of the statisticians in the Government at the present time, which has led to premature retirements on the part of people who have made very excellent careers as professional statisticians. That, I think, is the reprehensible thing.

And I will close, Mr. Chairman, if I may, by reading the last paragraphs of the paper I have made available to you.

Although the politician may be able adversely to influence statistics in the short run, there can be no doubt that his cause is a hopeless one in the long run. This Association—the American Statistical Association—and the other professional associations are aware that just as “eternal vigilance is the price of liberty,” similar vigilance is required to defend statistics and statisticians from political contamination. If necessary, the professional fraternity can appoint statistical “truth squads” that can hold their own press conferences to counter political distortions or falsifications, delays or withholdings of the data. In defending the probity and integrity of statistics, statisticians and related professional personnel are not only exercising an important professional and citizenship right and obligation but, also, in the long run they are defending the politician from himself; for nothing could undermine the politician as much as accumulated and intense public distrust and the generation of both a credibility and an incredibility gap.

Chairman PROXMIRE. Thank you very much, Mr. Hauser.

Our next witness is Mr. Stanley H. Ruttenberg, an economic consultant with Ruttenberg & Associates. Mr. Ruttenberg’s expertise in this area results from his tenure as research director for the AFL-CIO from 1955–62 and as Assistant Secretary of Labor for Manpower under Secretary of Labor Willard Wirtz.

Mr. Ruttenberg, we are honored to have you here, and grateful to you for appearing.

I did not tell Mr. Hauser as I should, he almost perfectly timed his remarks, because we do have a 10-minute rule for each presentation, and it is especially important this morning, because there are three members of the committee that would like to inquire, and we have the Commissioner of Labor Statistics coming before us at 11 o’clock.

So, if you could confine your remarks to 10 minutes, we would be grateful.

STATEMENT OF STANLEY H. RUTTENBERG, RUTTENBERG & ASSOCIATES, ECONOMIC CONSULTANTS

Mr. RUTTENBERG. Mr. Chairman, I will.

I am delighted to be here this morning and to give a specific example of the kinds of politicalization of statistics that is occurring within this administration, which to me is terribly disturbing.

I do not think that moneys appropriated by the Congress of the United States to the statistical agencies of the Federal Government should be used to prepare staff studies that in effect reflect the position of the politically appointed official. I want to talk specifically to a staff study as an example of what has been done in this administration to ask the staff to prepare a document which in effect is completely shot through with political implementations, and is really basically—and I say this after carefully thinking about it—a distortion of the facts that exist.

Now, that doesn’t say that a politically appointed official isn’t entitled, as he should be, to state whatever point of view he wants, and to justify that point of view in any way he can.

As a politically appointed official in the previous administration, I respect the right of somebody to state their own point of view. But I do not think that a document put out as a staff study should be permitted to reflect political positions of an administration.

And just as an example, I want to call your attention to a report which was published in January 1972 by the Department of Com-

merce, the Bureau of International Commerce, and particularly in the Office of International Investment. It is called "The Policy Aspects of Foreign Investments by U.S. Multinational Corporations."

I don't mean by taking this study to raise the policy issue involved in the study. I don't want to discuss that. I am prepared to, if you like, but I am not here to raise the issue of whether multinational corporations are good or bad. That isn't my purpose. My purpose is to simply illustrate with a study what a staff document has done to statistics, which I think is a complete distortion of reality.

Now, this report—and I think you may have copies of it—on page 2 it is described in the introduction as: "* * * Not intended to prejudge, portray nor necessarily reflect U.S. Department of Commerce or U.S. Government attitudes or policies in the areas covered." It is, they described: "* * * The purpose of this staff paper to illuminate areas of common interest and concern to multinational corporations, labor, government and other affected sectors of the U.S. economy." Its purpose is to illuminate the facts.

Now, I want to call your attention specifically again, using this only as an example, to a table which appears on page 27 of the document. And I will use only the material which is presented in that table to show how the staff study as described on page 28 does not reflect the reality of the table itself. And I think this is a distortion of statistics.

Again I say, I have no objection to a politically appointed official in the Department of Commerce saying anything he wants about the issue, but to ask the staff to present a document that in effect distorts statistics is basically wrong, and a misuse of Government appropriated funds.

On page 27 there is a table, and this table shows total nonagricultural employment in the United States for the years 1965 through 1970. And it shows in the last right-hand column the percentage change to be 16.9 percent in total employment over the 5-year period 1965-70.

And then it lists a group of 14 industries which are described on the previous page 26 as being those industries in which include the overwhelming majority of American corporations that are involved in overseas investments.

The 14 industries are described as multinational in nature, because they have in them 92 of the 133 largest U.S. multinational corporations investing overseas.

And then they propose to show the employment in each of these 14 industries. And again on the right-hand column on page 27 it shows the percentage increase or decrease of employment in these industries. It shows 11 of the 14 industries to have an increase in employment. Three of the industries have a decrease in employment. And I might point out to you that the three industries with a decrease in employment reflect 39 percent of the total employment in the 14 industries.

Now, I call your attention, having just pointed out the table, to the next page, page 28. And on page 28 it says: "In 1965"—beginning now with the second sentence, because I don't want to deal with the political implication of the first sentence, the second sentence on page 28: "In the 1965 to 1970 period, total employment gains in the United States averaged nearly 17 percent."

That is the 16.9 percent figure from the previous page.

"Corresponding increases in employment registered by 11 of the selected SIC groups ranged from 6.2 percent for paper and pulp to 45 percent for office and computing appliances." And then it says:

"For those industries whose employment levels rose, the composite rate of growth was 16 percent, or nearly equal to the 17 percent rate of the total U.S. industries."

Now, my point is simply that they forgot to include the three industries whose employment represented 39 percent of the total employment of the 14 industries. They didn't include those three, because they have said correctly, "For those industries whose employment rose." But why compare all industries' employment with just those who increased in 11 industries?

And when one takes a look at what all the 14 industry change in employment is, it is not a 16 percent increase in employment, but instead a 6.6 percent increase in employment. It presents a totally different conclusion. And, therefore, the person making the policy decision as to what to say about whether multinational corporations' employment increased or decreased at the same rate as regular corporations not engaged in multinational operations, that person, that political person is misled in drawing his conclusion from this fact.

I could go on and talk more about the table. I use it only as an example, Mr. Chairman, of the way in which Government appropriated funds for statistical purposes are used to prepare a staff study.

Now, if this were a study of the Assistant Secretary of Commerce, that is a different problem. It is not described as that, it is described as a staff study, and as such is utilized by people throughout the country as a Government report which can be quoted and looked at as being impartial.

Over the years, I, as has Mr. Hauser, have been involved as a user of Government statistics, and of Government reports. We look to Government reports to present the facts. We leave to other people the drawing of political conclusions. And I don't think that this staff study is at all reflective of the facts.

Mr. Chairman, I leave you only with that specific reference. I cite it as only one example of the study. I could go through the study in a half a dozen different places and illustrate precisely the same kind of problem. I don't want to do that because of the limitation of time.

I will conclude by saying that it is unfortunate that this administration chooses to handle the problem in this way.

And as I said to the Assistant Secretary of Commerce, who is responsible for this study, I said it to him on three different platforms around the United States in various speeches before various organizations in which he was also present, as well as being on a nationwide television program, the public service broadcasting of the Advocates programs, I said, if I, as a politically appointed official of the previous administration, had this kind of a staff report come to me, I would not permit it to be published as a staff report. And I was shocked to think that he as Assistant Secretary of Commerce permitted it to go out as a staff study.

Thank you, Mr. Chairman.

Chairman PROXMIRE. Thank you, Mr. Ruttenberg.

Mr. Ruttenberg, I don't want to be unfair to the present Secretary of Commerce. Mr. Peterson was not Secretary of Commerce when this happened, this was Mr. Stans.

Mr. RUTTENBERG. Mr. Stans was the Secretary of Commerce.

Chairman PROXMIRE. No. 1.

And No. 2, this was a staff study which, as you say, its only expression was the expression of the staff. However, you called it to the attention of the Secretary of Commerce, you say, three times, and he took no action.

I wish this was something we could do. But in view of the fact that Mr. Stans is no longer with the Government, and Mr. Peterson is the Secretary of Commerce, I don't know if we can act in this particular case.

I realize, however, that this was simply an example, and a very helpful and I think dramatic example of how these distortions can occur.

Mr. RUTTENBERG. If I might just add one word, Mr. Chairman, as an economic consultant. One of my clients is the Industrial Union Department of the AFL-CIO, and therefore I do work closely on trade matters with the AFL-CIO—I talked with the AFL-CIO people, and they wrote a letter to Secretary Peterson about this report.

A letter was written to Secretary Peterson just as he was moving into becoming Secretary of Commerce, in which they called attention to exactly the same thing that I said here this morning.

And Mr. Peterson did respond to the president of the AFL-CIO in a letter in which he defends the study. And I have Secretary Peterson's response here.

Representative BLACKBURN. Mr. Chairman, could we insert that in the record?

Chairman PROXMIRE. That is a very good point.

Would you make that available to the committee, and it can be inserted in full.

Mr. RUTTENBERG. I will make available to the committee, George Meany's letter to Secretary of Commerce Peterson and the Secretary's response.

(The letters referred to follow:)

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., March 20, 1972.

HON. PETER G. PETERSON,
Secretary of Commerce,
Washington, D.C.

DEAR SECRETARY PETERSON: A Commerce Department report, "Policy Aspects of Foreign Investment by Multinational Firms," misrepresents AFL-CIO views on international trade and investment. The report even presents an unfair analysis of employment figures to conclude that "an examination of the relevant data . . . does not bear out labor's contention that overseas investment operations result in declining employment." I urge you to correct the public record.

The AFL-CIO has asked for modernization of U.S. trade, tax, investment and related international policies, because the world has changed and jobs of millions of Americans are now adversely affected. The AFL-CIO also supports the Burke-Hartke bill, H.R. 10914 and S. 2592, legislation designed to modernize U.S. laws on international trade, taxes and related issues. The Commerce Department report emphasizes only multinational firms with misleading analysis.

Unemployment is a serious problem in the United States. The AFL-CIO has stated that complex changes, including the operations of multinational firms, increase that unemployment. Any fair examination even of the employment figures used in the report as "relevant data" shows that the analysis is distorted:

For employment figures, the Commerce Department selected 14 industries "which include the largest overseas investors" to suggest the multinational firms' relationship to employment.

Employment gains of 11 industries with rising employment are said to be "nearly equal" to total U.S. employment gains between 1965 and 1970. A fair analysis would show that total U.S. employment rose 2½ times faster than employment in the 14 industries selected. The reason for the difference is that the report's analysis included only 11 industries with rising employment in its comparison with total employment rises of all U.S. industries. In other words, the analysis omitted three industries with declining employment of the total 14 selected in a comparison with total employment gains of all industries. All 14 industries—those with declining and rising employment—showed a 7% employment increase, and all U.S. industries—those with declining and rising employment—showed a 17% employment increase. A fair analysis would have made that comparison instead of omitting three industries with declining employment and comparing 11 out of the 14 with all U.S. industries to show that the employment gains were "nearly equal."

The three industries with declining employment accounted for 44% of the 14 industries' employment in 1965. The analysis does not mention this relationship and thus omits half of the iceberg. These three industries showed a decline of over 80,000 jobs in the five-year period. By 1970, their share of employment fell to 39%.

The 14 industries' share of total U.S. employment dropped from 6.2% in 1965 to 5.6% in 1970. The analysis does not mention this fact.

The employment figures used for the 14 industries selected are for all workers in those industries, not just employees of multinational firms. Thus the figures do not even reflect the employment trends of firms with overseas investment or employment trends of multinational firms which have production in those industries. If BLS data on all U.S. industries were used to compare those industries with rising employment and the 11 industries with rising employment the percentages would be 21% and 16% between 1965 and 1970.

Therefore, the analysis is biased and the conclusion is false.

In the interest of accurate public information, I urge you to correct the public record.

Sincerely,

GEORGE MEANY, *President.*

THE SECRETARY OF COMMERCE,
Washington, D.C., April 20, 1972.

Mr. GEORGE MEANY,
President, AFL-CIO,
Washington, D.C.

DEAR MR. MEANY: In your letter of March 20 you offered some criticism of the Department of Commerce staff study "Policy Aspects of Foreign Investment by U.S. Multinational Corporation." I appreciate this opportunity to respond. After reading your letter, I do not see any reason—as I will outline later—for altering our study conclusions. On this point we have opposing views. But there are two significant issues on which we are in agreement, and I would like to touch on them.

One point of agreement is that in international economic matters, as you put it, "the world has changed." Last August 15, the President demonstrated his awareness that we are in a new era by calling for fundamental changes in the world's monetary and trading systems. Since then a number of basic monetary and trading negotiations have strengthened America's competitive position and will provide jobs for American workers.

The year 1971 was, of course, the first year since 1893 that the U.S. had a trade deficit. Even so, there was a balance of trade in manufactured goods—\$30.4 billion of exports and \$30.4 billion of imports. Over the next couple of years, the currency revaluations should certainly improve on this—with an estimated swing to a trade surplus of several billion dollars. Furthermore, as our trade balance improves, U.S. jobs associated with trade should increase.

A number of experts have estimated that between 60 and 70 thousand jobs are created for every \$1 billion of favorable shift on our balance of trade. Some of these same studies show that jobs in export industries are higher paying jobs. Thus, I find it hard to accept your statement that the "jobs of millions of Americans are now adversely affected."

A second issue on which we can find common ground is the need to promote employment and reduce unemployment. Foreign competition—like domestic competition—does adversely affect particular industries. But the solution to this kind of problem lies in promotion of greater domestic economic expansion—not in rigid protectionist responses.

If the U.S. were to block imports unilaterally, there would be several serious consequences. Other countries would be encouraged to block *our* export to them. This would obviously decrease U.S. jobs in these export industries. The stimulus that imports give domestic competition would be greatly reduced. Further, consumer costs would rise substantially, with the burden falling most heavily on low-income groups who can least afford price increases.

However, it is my view that when foreign competition brings unacceptably fast change we should be able to use adjustment aids, including *temporary*, orderly marketing mechanisms, to help groups of workers in specific industries adjust. It is clear that a few should not be asked to bear a disproportionate burden for the benefit of an open international economy enjoyed by many.

You also made some specific comments on the Commerce study with which I cannot agree. As you know from reading the study, it is the first of a three-part effort in the Department's attempt to assess the impact of multinational corporations here and abroad. We expect to complete the next phase of the study in May. It will cover the numbers of domestic jobs, overseas investment, and exports of more than 400 companies in all kinds of industries. The findings made in the first part of the staff study appear to be supported by the information we have received to date on the broader sample.

At one point in your letter you state that only 11 of the 14 industries were considered in compiling data on the employment effects of multinational companies. However, the paragraph to which you refer is immediately followed by a second that deals directly with the employment trends in the remaining three industries.

You also suggested other methods of examining employment trends; for example, by comparing employment in these 14 industries to total U.S. employment in general. I believe care must be used in projecting these numbers for reasons explained in the study.

But it is instructive to compare employment trends in these 14 industries to trends in all *manufacturing* industries. Thirteen of these 14 industries are manufacturing in nature. It is, therefore, appropriate to compare them with their own kind. By using the 7 percent figure that you suggest for all of the 14 industries we find it is very close to the 7.5 percent average increase in overall manufacturing employment during this period.

Further, you mentioned that these 14 industries showed a decline as a percentage of total U.S. employment. Again I feel it is helpful to compare these industries to *manufacturing* as a whole. Looked at in this way, these industries maintained their share of manufacturing employment between 1965 and 1970—i.e., 20.8 and 20.6 percent respectively.

Having responded to the points you raised, I feel it is important to mention that caution should be exercised in drawing conclusions from the published aggregate data because of the difficulties in separating the direct investment effects from other factors affecting employment. The study pointed out that:

"In view of the difficulty of separating direct investment effects from other macroeconomic factors affecting employment, caution must be exercised in drawing conclusions from this aggregate data. What seems clear from these data is that the effects on employment due to cyclical and other factors present in the domestic economy tend to swamp the adverse effects—if any—that might result from the foreign trade side. The argument that overseas investment is causing job losses in the United States does not appear to be borne out. Rather, the basic employment trend for these investment-oriented industries has been upward."

I believe that the analysis in the staff study is sound and revealing. Where industries or workers are adversely affected by competition from abroad, it is my view that the best solution lies not in protectionist legislation, but in the promotion of economic expansion at home and an open international economy, where, to be sure, American products are treated equitably.

I appreciate this opportunity to respond to your letter since, although our points of view are divergent, our objective—a strong and growing U.S. economy—is the same. In an area where anecdotes and rhetoric have played such a large role, I welcome the opportunity to discuss analytical evidence with

you. If members of your staff wish to review our research on this subject, my colleagues would be most happy to do so.

Sincerely,

PETER G. PETERSON.

Mr. RUTTENBERG. It is interesting to point out that in justifying the comparison they make in the report he talks about, we ought to compare the rise in employment of all 14 of these industries with manufacturing employment. Nowhere in the report is that comparison made. But yet he justifies doing the 14 industries and the 11 of the 14 on the basis that if you compare it to manufacturing, you would find the results to be comparable to the conclusion drawn in the report. But that isn't in the report.

I say again, Secretary Peterson, while he was not Secretary when the report was issued, has since put his stamp of approval on it.

Chairman PROXMIER. You did a remarkable job in a short time, Mr. Hauser, in your statement. You quote the last paragraph in the paper you wrote. And the first sentence said :

Although the politician may be able to adversely influence statistics in the short run, there can be no doubt that that has caused a hopeless one in the long run.

For one thing, in the long run we are all dead. And another thing, elections are a short phenomenon by and large.

What is there that we can do in your view to correct this kind of situation? You rely on the American Statistical Association and other professional groups, and I think they are invaluable, especially with this kind of a situation. But after all, our political lives aren't that long. And it is very, very tempting to us to take advantage of this. And I am sure Democratic as well as Republican administrations have done so. And we would like your advice on what you think we can do to insulate ourselves against their kind of thing in the future.

Mr. HAUSER. It seems to me that for one thing the hearing which you are conducting, Mr. Chairman, is just one such safeguard. It would seem to me that to publicize the kind of facts which we have brought before you this morning is one way to safeguard the probity of Federal statistics. And quite another would lie, perhaps, in the Congress considering whether it wants to have some liaison with a semipublic committee recently established by the National Academy of Science, a Committee on Federal Statistics, of which my colleague, Professor Kruskal of the University of Chicago, is chairman. Mr. Kruskal was also a member of the President's Commission on Statistics, which, as you recall, I referred to in my paper as being insensitive to the political issue, though the men on it were men of competence and integrity. I think that the National Academy of Sciences Committee, which more or less serves as a continuing statistics commission, might well be asked to provide the Congress with reports from time to time on just what is going on.

Chairman PROXMIER. I think that is an excellent suggestion. And as chairman of the committee. I will do my very best to get in touch with him. And I think that this kind of an association, although it is very important, and has prestige, often gets little attention. And unless you get attention in this world, you can forget about any influence or power. I would hope that we could persuade them to testify, and to submit periodic analyses and studies of whatever administration

we have in office with respect to whether or not the integrity of statistics are being observed.

That kind of report would be most valuable to us. And I am sure that the minority would join. And we would be very happy to do whatever we can to see that competent, professional groups of this kind have an opportunity to air their position publicly and effectively. I think that might be very helpful.

Now, I would like to ask both of you gentlemen to comment on a situation that has troubled this committee somewhat. And in fairness to Mr. Moore, we told him we were going to do this last time when he appeared before us last month. So, I would like your comment on a problem that involves Mr. Moore in the Bureau of Labor Statistics.

I wonder if you could comment on the situation with respect to the Goldstein-Henle matter. You are familiar, I am sure with the fact that Mr. Goldstein's job was divided into two after he made remarks which were at variance with that of the Secretary of Labor. And Mr. Henle is a very competent economist, and he was shoved aside. If both of you gentlemen could comment on this incident, it would be very helpful.

Mr. RUTTENBERG, would you like to lead off?

Mr. RUTTENBERG. Mr. Chairman, as I think I indicated before on a previous occasion before this committee, the shift of personnel in the Department of Labor in which Hal Goldstein's job was divided and split in half, and a new man brought in to Mr. Henle's position, a sort of reorganization of the Bureau of Labor Statistics, in my judgment the difference between replacing Peter Henle with Mr. Rathbun—and I do not know Mr. Rathbun—but the implication is that Mr. Rathbun, whose experience has not really been at all in the general area of the Bureau of Labor Statistics problems, comes in to replace a person who has devoted his entire professional life to the handling of economic statistics and Bureau of Labor Statistics problems.

Now, I can't say that that is a political decision. I can only say that it is a shift of emphasis that to my mind raises very serious questions when tied in with the whole series of things that have happened within the Bureau and within other statistical agencies of the Government, as Mr. Hauser has enumerated in his paper. Mr. Hal Goldstein's movement out, having made the statements he did at a press conference, in which they differed with that of the administration's point of view on the subject of unemployment statistics, and the fact that the press conference was canceled, all put together come to the conclusion that there is some political involvement here which is hard to put your finger upon.

Chairman PROXMIER. Mr. Hauser.

Mr. HAUSER. Mr. Chairman, I serve as a member of the Statistical Policy Committee of the Office of Management and Budget, made up largely of past presidents of the American Statistical Association, of which I am one. And may I say, I have known Mr. Moore for many years. He is also a former president of the American Statistical Association. And I should like to say at the outset that I have complete confidence in Mr. Moore as a statistician, and as a human being of integrity.

Now, I happen to know, because of my participation in the Office of Budget and Management activities, that much prior to this specific

series of events to which you refer there were already under consideration two moves, which as a matter of fact would have probably occurred with much the same consequences, quite apart from the unfortunate sequence of events.

Let me be more specific. For some time—and this had come to the attention of the Statistical Policy Committee of the Office of Management and Budget—questions had been raised by the chief statistician of OMB about the propriety or desirability of having a civil service statistician exposed in a press conference to the kinds of questions to which he was subjected with each release of the Monthly Report on the Labor Force.

Now, I think this is a moot question. And I certainly have mixed feelings about it, because although the press conference presumably was to be restricted to the consideration by Assistant Commissioner Hal Goldstein of the technical implications and aspects of the report, the questions put to him by the press often definitely involved political questions. And my own judgment is that it is desirable to have a separation between what you might think of as the performance and presentation of the statistical product, and then the interpretation which follows.

Now, there was already underway consideration of the cancellation of this press conference before this episode in which the statisticians' interpretation differed from the political viewpoint of his boss, the Secretary of Labor. And I suppose the best you can say for it is that the whole situation was very clumsily handled from a public relations standpoint, because the shift was made immediately after this particular disagreement.

Chairman PROXMIRE. That is the best you can say for it. What is the worst you can say for it?

Mr. HAUSER. The worst you can say for it is that it may well have been politically motivated, and that it was desirable to get a man out of there whose integrity, I think, had never been questioned, and whose integrity, shall we say, and professional interpretation of the data was at variance with that of the political appointee, the Secretary of Labor.

Now, somewhere along the line the truth may lie.

Similarly with respect to the reorganization. This was in motion before the sequence of events.

The proposed organization on the face of it is probably a desirable one. Mr. Julius Shiskin, who is chief statistician of the Office of Management and Budget, was a former Census employee. And I was at one time Deputy Director and Acting Director of that Bureau. And what he has been proposing from the standpoint of the reorganization of the statistical work of the Government is in essence the same form of organization which has characterized the Bureau of the Census for many years.

Now, that was in motion before the episode involving Goldstein and Henle took place.

Now, again, at best you can say that it was very clumsy handling to have all these things happen after the open conflict. At worst, it may have been a way of getting rid of someone whom the administration may well have regarded, shall we say, as just a little bit too straight for what it was trying to do. What the facts are explicit-

ly—I can't read the minds of the Secretary of Labor and what was back of the activities which were taken. I am inclined to believe Commissioner Moore when he says he has protected his Bureau as best he could from political pressures. I wish I could say the same about some other bureau heads.

So this, I think, is about as objective and fair a statement as I can make about this. I think it is an unfortunate sequence of events. As a result of it the Government has lost two very first rate professional statisticians and economists. But again it is a mixed bag, so to speak. I don't think it is possible to make a clear-cut statement to the effect that this was a deliberate political effort to get rid of Goldstein and Henle.

Chairman PROXMIRE. Unfortunately my time is up.

Mr. Blackburn.

Representative BLACKBURN. Thank you, Mr. Chairman.

I think it is appropriate to make the observation at this monthly political show we have that there has never been any challenge as to the integrity or the validity of the statistics up until now. And I suspect that there is some political motivation behind the challenge. So long as the figures looked dismal for the administration, the Chairman was very happy to quote those figures with regularity. And now that they seem to be showing encouraging trends for the administration, now we have to impugn the integrity of the figures themselves.

I would like to ask you, Mr. Hauser, are you saying that you are apolitical?

Mr. HAUSER. I say in my capacity as a statistician I am definitely apolitical. I regard that as part of my professional obligation.

Representative BLACKBURN. You have made some rather strong charges against the administration, which are rather serious charges. And I think that some of these charges are based in large measure on your personal judgment, are they not? Haven't you had to infer some conclusions in making the statements you have made today without any definite proof?

Mr. HAUSER. Mr. Congressman, what I have done here is set down evidences of what I have explicitly described as smoke below which there may be fire. My case is here that this ought to be explored and investigated. And I am delighted that your committee is at least getting at it.

But may I also say this. I would have precisely the same thing to say about any administration. As my paper indicates, I have in my own 42 years of experience probably known of no administration in which there weren't one or two episodes in which some eager beaver, either politician or public relations person, tried to distort the data. But I think I am quite on firm ground when I say, never have I seen as much evidence accumulate as there has been during the course of this administration.

Representative BLACKBURN. Are you familiar with such people as Congressman Charles H. Wilson of California? He is a good loyal Democrat, is he not? Do you know of him?

Mr. HAUSER. I know of him. We both served as members of the Secretary of Commerce's Advisory Committee on the Decennial Census Review Committee under Secretary Stans.

Representative BLACKBURN. Do you think he is a man of integrity, a man in whom you would have any confidence?

Mr. HAUSER. As far as I know, yes. I don't know him too well, but I am inclined to trust anybody unless I learn better.

Representative BLACKBURN. How about Congressman Thaddeus Dulski, he is a good loyal Democrat, is he not, from New York?

Mr. HAUSER. I don't happen to know him at all, and I don't even know whether he is a Democrat or Republican.

Representative BLACKBURN. Let me give you some other names that perhaps you have come across. How about Mr. John Kenneth Galbraith?

Mr. HAUSER. Of course, professor of economics at Harvard. I know him; yes.

Representative BLACKBURN. How about Rudy Oswald, Mr. Ruttenberg? I believe he is associated with the AFL-CIO. Do you think he is a man of integrity, would you have confidence in him?

Mr. RUTTENBERG. Yes, I have confidence in Rudy Oswald.

Representative BLACKBURN. How about both of you with regard to Mr. Charles L. Schultz, former Director of the Bureau of the Budget, do you think he is a man of character and integrity in whom you would have any confidence?

Mr. HAUSER. I for one say "Yes."

But may I say, you are confusing two things here, Mr. Congressman. A man can have competence and integrity in his profession, but as a citizen he is also entitled to have political views. And I believe it is quite possible to separate these two activities which you are fusing.

Representative BLACKBURN. I am just laying the foundation here, Mr. Hauser, to challenge some of your judgment conclusions, because I assume that you are not familiar with a committee print issued by the Committee on Post Office and Civil Service. And that committee happens to be chaired by Mr. Thaddeus Dulski. A majority of the committee are Democrats, which means that as far as politicalization is concerned, I suspect that they would be inclined to be critical of this administration if they could find room for it. But in this committee print—with which you are probably not familiar, because it was only printed last night, so I think it is rather current—it deals with the subject matter of:

One, possible politicization of Federal statistics; two, the discontinuance of press conferences by professionals of the Bureau of Labor Statistics; and three, reorganization of Federal statistical activities, principally, at the Bureau of the Census and Bureau of the Labor Statistics.

So, this committee staff print deals specifically with the very areas to which you have addressed yourself this morning. And these are the conclusions of that committee.

Chairman PROXMIRE. Would the Congressman yield?

Would you tell me what page you are on?

Representative BLACKBURN. I am on page 14 right now.

Chairman PROXMIRE. Page 14.

Representative BLACKBURN. The 65 persons interviewed—and this includes the gentleman I have mentioned to you earlier—were practically unanimous in the opinion that the gathering, assembling, and reporting of the statistical data was free of politics. This was based on the high regard for the ability, integrity, and professionalism of the

technicians concerned. No criticism was expressed concerning the reliability and validity of the statistical data.

Now, you have put yourself pretty much at odds with a very competent subcommittee staff that interviewed over 65 people in the Bureau of Labor Statistics and reached these conclusions. They also interviewed the people that I have mentioned to you earlier who are intimately familiar with the working of government, and many of them have been in government in an official capacity. And for your conclusions to be so patently different from theirs makes me wonder just how apolitical your conclusions are.

Let me read this other statement at the bottom of page 14:

The latest reorganizations which have taken place at the Bureau of Labor Statistics and Census have been the subject of consideration since about the middle of 1950. The principal objective of the reorganization was to segregate the data gathering, assembling, and reporting from the planning for the analysis of the data.

The Office of Management and Budget directive instructing the agencies to reorganize was issued in July 1971. However, the directive in draft form had been prepared, based on previous considerations, before the discontinuance, of the BLS press conferences. The subcommittee's staff found no evidence that the two were related. None of the 65 persons interviewed," including the very politically oriented people I mentioned to you earlier, "expressed the opinion that politics played a major role in bringing about the reorganization.

Gentlemen, if you are going to make charges as serious as what you have made before this committee today, I suggest you look a little deeper than just the smoke that you suspect may be coming from embers. On page 15:

The subcommittee's staff found no evidence that required technical competence was sacrificed or lessened by any political influence that may have been exercised in the selection of the personnel concerned. Further, no basis was found to question the two agencies' decisions to carry out what are normal management prerogatives.

Now, I would be very happy to put it in the record at this point if the chairman would agree, because I think it addresses itself very directly to the matter that is being discussed here today.

Chairman PROXMIRE. Yes, indeed. That will be printed in full at this point in the record.

(The document referred to follows:)

INVESTIGATION OF POSSIBLE
POLITICIZATION OF FEDERAL STATISTICAL
PROGRAMS

SUBCOMMITTEE ON CENSUS AND STATISTICS
OF THE
COMMITTEE ON POST OFFICE AND
CIVIL SERVICE
HOUSE OF REPRESENTATIVES
NINETY-SECOND CONGRESS
SECOND SESSION



OCTOBER 5, 1972.—Committed to the Committee of the Whole House
on the State of the Union and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1972

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LETTER OF TRANSMITTAL

U.S. HOUSE OF REPRESENTATIVES,
 COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C., October 5, 1972.

HON. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: The Committee on Post Office and Civil Service of the House of Representatives today approved the report of the Subcommittee on Census and Statistics entitled, "Investigation of Possible Politicization of Federal Statistical Programs". The committee requests that this document be printed as a House report and I am herewith attaching a copy for that purpose.

This report was prepared by the subcommittee staff for the purpose of meeting charges that have been leveled at the statistical activities of the Federal Government.

At the beginning of this Congress a number of prominent statisticians and newsmen had raised the possibility that the statistical activities of the Federal Government were being politically manipulated. This report will aid Members of Congress, other Government officials, and the public in understanding our Government's statistical activities and our committee's desire to keep those activities nonpolitical and professional.

I am certain that this report will prove to be very useful and I, therefore, request your approval to have this report published as a House document.

Sincerely yours,

THADDEUS J. DULSKI, *Chairman.*

LETTER OF SUBMITTAL

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CENSUS AND STATISTICS OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C., October 5, 1972.

HON. THADDEUS J. DULSKI,
*Chairman, Post Office and Civil Service Committee,
Washington, D.C.*

DEAR MR. CHAIRMAN: I am submitting today for full committee approval a report entitled "Investigation of Possible Politicization of Federal Statistical Programs" prepared by the staff of the Subcommittee on Census and Statistics.

This report reviews, in some detail, our Government's statistical activities with specific reference to:

- (a) possible politicization of Federal statistics;
- (b) discontinuance of the press conference by professionals of the Bureau of Labor Statistics; and
- (c) reorganization of Federal statistical activities principally at the Bureau of the Census and the Bureau of Labor Statistics.

The subcommittee staff's study was conducted principally by interviews with 65 individuals interested in Federal statistics including Government and non-Government parties.

While the subcommittee staff found no supportive evidence of conspiratory politicization of Federal statistics, the present decentralized statistical system makes it possible for any administration to politically influence the various statistical agencies.

Based on this very real possibility, the subcommittee plans to inquire into the feasibility and desirability of establishing a central independent statistical agency to collect and process all general purpose statistics for the Federal Government.

The subcommittee wishes to acknowledge the major contributions to the preparation of this report made by Calvin Cookfair and Jacob Glick, Supervisory Auditors, loaned by GAO to the subcommittee.

It is requested at this time, Mr. Chairman, that the report be adopted by our committee and printed as a House document.

Very truly yours,

CHARLES H. WILSON, *Chairman.*

Calendar No. 802

92D CONGRESS }
2d Session }

HOUSE OF REPRESENTATIVES

REPORT
No. 92—1536INVESTIGATION OF POSSIBLE POLITICIZATION
OF FEDERAL STATISTICAL PROGRAMS

OCTOBER 5, 1972.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DULSKI, from the Committee on Post Office and Civil Service, submitted the following

REPORT

INTRODUCTION

This report deals with a study made by the staff of the Subcommittee on Census and Statistics of our Government's statistical activities with specific reference to:

- (1) Possible politicization of Federal statistics,
- (2) Discontinuance of the press conferences by professionals of the Bureau of Labor Statistics, and
- (3) Reorganization of Federal statistical activities, principally, at the Bureau of the Census and the Bureau of Labor Statistics.

The decision to make the study was made at a time when credibility of Government information was being questioned at various levels by citizens of all political persuasions, and allegations were being made that the Federal statistical program was being purposely manipulated to conform to the policies of the incumbent Administration. Confidence in the credibility of the Government can only be restored by a policy of making available to the fullest extent possible accurate and complete information on the Nation's policies, programs, and statistics and other information that contributes to an informed citizenry.

SCOPE OF STUDY

The Subcommittee staff's study was conducted principally by interviews and discussions with 65 individuals interested in Federal statistics and included Government and non-Government parties.

(1)

Key, as well as middle management, Government employees were interviewed. Following is a summary of the interviews held.

| <i>Description</i> | <i>Number</i> |
|---|---------------|
| Government agencies: | |
| Department of Commerce----- | 21 |
| Department of Labor----- | 9 |
| Department of Agriculture----- | 2 |
| Department of Health, Education, and Welfare----- | 1 |
| Office of Management and Budget----- | 1 |
| Civil Service Commission----- | 1 |
| Former Government employees: | |
| Department of Commerce----- | 4 |
| Department of Labor----- | 3 |
| Users of Federal statistics: | |
| Professional societies----- | 3 |
| Independent organizations----- | 5 |
| Labor: AFL-CIO----- | 1 |
| News media----- | 9 |
| Members of congressional staffs----- | 5 |
| Total----- | 65 |

A list of the individuals interviewed is included as an appendix to this report.

Several interviewees insisted that part or all of the information they furnished be considered as "off the record". This was particularly true of some of the members of the press who agreed to grant their interviews only on this condition. Accordingly, the material presented in this report will, generally, not refer by name to the individuals furnishing the information, opinions, and conclusions. The Subcommittee's staff agreement to conduct its interviews on this basis hopefully did not have any material effect on obtaining pertinent information or replies to specific questions asked or on its evaluations. The Subcommittee staff had anticipated a greater degree of assistance from the press as the news papers in general have been very critical of the Administration's statistical policies.

In its interviews with Government employees, the Subcommittee's staff did not encounter any restrictions placed by top management except at the Bureau of the Census. The Director of the Bureau had a member of his legal counsel's staff attend all but two interviews. The staff objected to this arrangement and the Director stated that he would not insist that a legal counsel's representative be present at interviews. It was his opinion that legal counsel would protect the members of his staff in the event that their statements were to be used in hearings or in a report. He informed the Subcommittee's staff that he would leave the decision to the individual employee the staff wished to interview which, in its opinion, was tantamount to making the decision for them. The staff believes that the presence of the legal counsel served as an inhibitant to those interviewed at Census and may have brought about a reluctance on the part of the employees to express their thoughts freely and tended for the remarks to be made in guarded language.

At the Bureau of Labor Statistics (BLS), the Commissioner invited the Subcommittee's staff to speak to anyone on the BLS staff whom it thought could be helpful. He offered to arrange the interviews or stated that the staff could make them direct with members of his staff. The staff chose the latter course and at no time were the interviews with BLS employees attended by others.

At the Department of Health, Education, and Welfare's National Center for Health Statistics and at the Department of Agriculture's Statistical Reporting Service, a representative from each of the agencies congressional liaison staff or public information office attended the interviews. However, they did not participate in the interview and, in the Subcommittee staff's opinion, did not hamper the exchange between the interviewees and the staff.

The Subcommittee's staff wanted to afford the Secretary of Commerce and the Secretary of Labor the opportunity to express their opinions and comments on the subject matter of its study. The staff met with the Secretary of Labor and obtained his views. The staff attempted to arrange for a meeting with the Secretary of Commerce. The staff was told by his appointment secretary that the Secretary requested that she inform us that he would stand by the comments made by Assistant Secretary of Commerce, Harold Passer, in the staff's meeting previously held with him.

CHARGE OF POLITICIZATION OF STATISTICS

Charges have been made that the (1) discontinuance of the Bureau of Labor Statistics press conferences and periodic issuance of the poverty or "low-income" indices, (2) reorganization of BLS and Census, and (3) changes made in key personnel assignments evidenced an attempt to politicize Federal statistics. Statements were made by several individuals interviewed that they had suspicions that this was the case. However, none of them could suggest how this could be demonstrated and most felt that it could not be demonstrated.

In the Subcommittee's staff's discussion of possible politicization with the BLS official, who had previously conducted the BLS press conferences on the unemployment index, he stated that the press releases issued after the discontinuance of the press conferences might include a subtle phrase or word which might have political connotations. The staff inquired as to whether it might detect this by comparing press releases issued before and after the discontinuance of the press conferences. He informed the staff that he did not believe this could be done and added that even he, with his familiarity with the subject matter, could not point to specific words or phrases having political connotations.

Similar statements and opinions were expressed by two former key BLS professionals and by some members of the news media who had attended the press conferences.

The President of the American Statistical Association informed the Subcommittee's staff that he too felt and had feelings expressed to him that there was some attempt to politicize Federal statistics but he could not demonstrate this. He did not think such demonstration was possible. A former Director of the Bureau of the Budget made similar comments and stated that to demonstrate politicization would, in his words, "be impossible".

Comments made concerning possible politicization were directed to the analysis and interpretation of statistics. There was unanimous agreement by those interviewed that there was a high regard for the integrity of the gathering, and publication of the basic statistical data. Similarly there was only the highest regard for the professionalism and capability of the Government employees associated

with producing the statistics. There are certain built-in controls which would make it extremely difficult and practically impossible to alter the statistics. For example, each step of planning, gathering, compiling, and publishing the statistics is performed independently and the possibilities of collusion which would have to come into play, are practically nonexistent.

One of the areas at which the allegation of politicization was directed was the discontinuance of the poverty index with the last quarter of calendar year 1971. The decision to temporarily discontinue the poverty index was made during the first six months of calendar year 1971 based on a recommendation of the professional statisticians and economists. The index had been published using the 1960 Census as the base which, in the opinion of the professionals, no longer was valid because of the substantial changes in the designated poverty areas since the 1960 Census. For example, the southwest area of Washington, D.C. was designated as a poverty area in the 1960 Census whereas today it is probably a high income area. This is undoubtedly true of many other areas in other major cities. Conversely former high income areas may have become poverty areas during the period between the 1960 and 1970 censuses but would not be included in the poverty index. In the staff's opinion, it would have been to the advantage of the Administration to have had the poverty index continued using the 1960 Census as a basis: such an index could have shown marked favorable changes.

The professional statisticians and economists recommended the resumption of publishing the poverty index at the time the 1970 Census data becomes available for use as a base. The staff believes that the decision to temporarily discontinue the publishing of the poverty index until the 1970 Census data was available was not only reasonable and rational but also precluded the publication of data which would be misleading.

Some dissatisfaction has been expressed concerning the proposed change in the periodic publication of the BLS family budgets for certain hypothetical families (man and wife and two children; a retired couple) which had been computed on the basis of various assumptions. The budgets were published for three classes of income; low, middle, and high. The budgets did not represent what it actually costs the average family of the selected type to live. Instead the budgets were developed to estimate what it would cost to obtain specific necessities using nutrition standards developed by the Department of Agriculture; housing standards developed by the Department of Housing and Urban Development; etc. Accordingly, the budgets were based on judgments and assumptions of other agencies and then subjected to the judgment of BLS personnel.

Because of the important role that judgment plays in the development of the budgets it is questionable whether BLS should be producing such data. Further, this type of budget development does not seem to be appropriate for a professional statistical gathering agency.

BLS proposes to develop measures of place-to-place differences in price levels not by reference to a hypothetical family budget but rather in terms of the typical market basket of goods and services that is used in the Consumer Price Index (CPI). This would provide information on what it costs to buy the CPI market basket in different

geographic locations. In addition, the proposed change would include a determination of the actual expenditures of families of different levels of income. Averages of actual expenditures at the specified levels could be used as a guide to appropriate budgets at different levels of income. Such averages would not answer the question of what level of income is needed for subsistence or how a given income should be spent which the family budget did not answer either.

The Subcommittee staff believes that the BLS proposal is more in line with what a professional statistical agency should be concerned with than the preparation of family budgets which are based on judgments and assumptions which can vary from individual to individual.

Charges have also been made that politically oriented personnel changes have been made at both the Bureau of the Census and the Bureau of Labor Statistics. At BLS one key employee had his responsibilities reduced but suffered no financial loss or grade level, and another key employee (an economist) was granted a leave of absence. The latter position was considered as to how it would fit in the reorganization being undertaken as the result of an Office of Management and Budget directive. Top BLS management decided that it wanted a new man to fill the Office of Chief Economist. The individual appointed, based on comments received from professionals in and outside the Government, is a highly qualified and recognized professional and no concern was expressed about political influences on him. In the staff's opinion, the personnel changes made at BLS have been minimal, are not out of line with the prerogatives of management, and have not been subjected to substantive political overtones.

Several key personnel changes have been made at the Bureau of the Census. However, the personnel appointed to fill key operating positions, either by transfers from within or obtained from outside the Government, were considered to be highly qualified professionals. This opinion was shared by current and former Census employees and by non-Government personnel having an interest in Federal statistics.

One Census professional, who had previous to the reorganization occupied a key position at a GS-17 level and had been reduced in grade to a GS-15, informed the staff that the individual being considered for what was his former position was the type of professional he would select.

Besides the Director, who is a Presidential appointee, there appeared to have been two political appointments at Census. One was to an administrative position at the top management level. This individual's effect on Census operations has been insulated against by the integrity and professionalism of the long-term key professionals responsible for Census operations. However, the individual has attempted on many occasions to politically influence the course of events at the Bureau of the Census. This attempt to politicize the work at the Bureau, even though by only one individual, should serve as a warning that political influence at the Bureau is possible.

In commenting on both BLS and Census personnel, the president of one of the professional societies was of the opinion that most of the professional employees of these agencies were "top of the line" or near "top of the line." However, he was of the opinion that there was going to be a lessening of the stature of the professionals because:

(1) Census has not had the foresight to bring in journeymen professionals and to train them over the years—as a result, the present generation of key personnel are reaching or will reach retirement age at nearly the same time which will leave a big gap at Census; and

(2) the reorganizations at Census has led to the early retirements of some key professionals whose replacements will be difficult and will work to the disadvantage of Census.

Notwithstanding the foregoing, there was no evidence which would support the allegations that the personnel changes were politically oriented or were made to politicize the Federal statistics.

A former high Government official, in commenting on possible politicization, stated that he was convinced that no Administration would attempt to bring any influence to bear on changing or coloring any of the statistical data. This, in his opinion, would be committing political suicide and, what's more, the professional technicians would not permit this to happen. He stated that this would not necessarily be the case in the interpretation of the statistical data as this is based on individual judgment, insight, knowledge, and purpose. This former official did not believe that the present Administration had acted substantially different from any other Administration in the area of Federal statistics. It was his opinion that while there was some criticism of how the present Administration went about discontinuing the BLS press briefings and reorganizing the BLS and Census, there wasn't too much to be concerned about and whatever concern may exist now will diminish with the passage of time.

DISCONTINUANCE OF PRESS CONFERENCES

The Bureau of Labor Statistics began holding monthly technical briefings for the press around 1953 and the briefings had been held in a continuing form since 1963. The briefings were held on the days of the release of BLS statistics on the Consumer Price Index (CPI) and the unemployment situation. Generally, BLS technical personnel conducted the briefings.

On March 19, 1971, the Department of Labor issued a press release announcing the discontinuance of the regular press briefings. The text of the release follows:

Effective today the Consumer Price Index will be released without attendant briefings. The new procedure, we expect, will permit earlier release of the data by reducing time needed for the scheduling and preparation for news conferences, avoid the awkwardness of subjecting the professional staff of the Bureau of Labor Statistics to questions with policy implications, and achieve a consistency with the method of release of all other statistical data by the executive branch. Inquiries about the release should be directed to the Assistant Commissioner for Publications, Herbert C. Morton, 961-2327. The Bureau of Labor Statistics staff will be glad to help with technical questions as before.

The discontinuance also applied to the unemployment data according to a statement made by the Secretary of Labor in his March 19, 1971, White House press conference.

The Secretary's announcement has been attributed to a difference in describing a 0.2 (two tenths) of a percent decline in the unemployment rate. At the Secretary's press conference on February 5, 1971, he told reporters that the 0.2 percent decline had "great significance" whereas that same day an Assistant Commissioner, BLS, described the decline as being "marginally significant." The Secretary stated in his March 19, 1971, press conference that the press briefings were discontinued for the following reasons:

(1) *Speed*: The data could be released more quickly if the delays involved in arranging a press conference at a convenient time were obviated;

(2) *Consistency*: Since releases of other indexes in the Federal agencies are not accompanied by press briefings, there need not be such briefings as to these data; and

(3) *Awkwardness*: The briefings can cause awkwardness to the BLS professional staff from having to respond to inquiries that call for a policy response.

Adverse reaction to the Secretary's announcement by the press was immediate and widespread as evidenced by numerous articles and editorials in daily newspapers and periodicals. The gist of the press reaction was that the statistics might be less meaningful, the "door was opened" for more partisan and political commentary on the statistics, and the Government's credibility gap was widened.

There was congressional concern on the discontinuance of the briefings. Both the Joint Economic Committee and the House Committee on Government Operations, through its Foreign Operations and Government Information Subcommittee, conducted hearings dealing with the discontinuance. The House Committee on Government Operations recommended:

That the Secretary of Labor immediately reinstitute the monthly BLS press briefings on the days of release of Consumer Price Index and unemployment statistics and make it clear in a departmental directive that the traditional objective role of the BLS must be maintained.

The Department of Labor has not rescinded its decision and continues to issue press releases on its statistics without press briefings.

With the passage of time, interest in and the necessity for the press briefings has declined dramatically. Members of the press who formerly attended the briefings were, generally, consistent in their feelings that there was no great loss as a result of the discontinuance of the briefings. Reporters from the major newspapers and press service expressed the opinion that without the briefings, they were able to write their articles quicker principally because the press releases contain more descriptive material and tables. In the event that additional or explanatory information is needed, the reporters stated that this can be readily obtained, generally, by telephone calls to BLS personnel concerned.

The Joint Committee on Economics has been holding monthly hearings on BLS statistics on a regular basis since shortly after the discontinuance of the BLS press briefings. The Subcommittee's staff was informed that in the early days of these hearings, members of the press attended regularly. However, attendance has declined with

the passage of time. At the April 1972 hearings, no reporters from the major newspapers or press services were present. Of the four press representatives who were in attendance at this hearing, only one was present at the resumption of the hearing which had been recessed shortly after the opening of the hearing.

In a discussion held with a representative of the AFL-CIO on the discontinuance of the press briefings, he informed the staff that there may have been some politicization of Federal statistics and cited the discontinuance of the press briefings as an example. He stated that he felt that selected wording had crept into the press releases. However, he could not demonstrate that political influences were being brought to bear which would result in praise of the Administration, especially in an election year.

It was the general consensus of the principals of three major professional societies interested in and users of Federal statistics, that they were not particularly concerned or disturbed by the discontinuance of the press briefings. Some were of the opinion that the press briefings were not needed and should never have been started. Nevertheless, they took issue with the Secretary of Labor's comment concerning the ability of BLS professionals to handle the briefings. They felt however, that the BLS professionals should be concerned only with the purity and reliability of the statistical data and should not comment on, give opinions dealing with policy matters, or make forecasts. It was their opinion that the latter was a prerogative of the politicians and the Administration.

The president of one of the professional societies stated that regardless of what political party was in power there is some politics involved in the analysis of the statistical data. However, he stated that politics does not have any effect on the raw statistics. There are too many people involved in gathering and assembling the data for politics to have an influence. Also, there were too many built-in internal controls to permit politics to influence the basic statistical data and the Government professionals would be the first to raise public objection thereto. Because of the publicity which the discontinuance of the briefings received and to insure against possible politicization, one of the major societies appointed an ad hoc committee to study and report on possible politicization. However, the ad hoc committee's report will not be issued until after the November 1972 elections.

The unemployment, consumer price, and wholesale price indices are sensitive and critical economic indicators and receive wide publicity. Although indices such as agriculture prices and crop projections, gross national product, foreign exchange and trade, and others play an important role as economic indicators, the press releases on these indices have not generally been accompanied by press briefings. Because the unemployment, consumer price, and wholesale price press releases had, in the past, been accompanied by press briefings does not in itself justify the need for continuance of the briefings.

The reasons given by the Secretary of Labor for the discontinuance of the press briefings, i.e. speed, consistency, and awkwardness (see page 7), does not, in the Subcommittee's staff's opinion, fully justify the termination thereof. The staff believes that the timing of the announcement of the discontinuance contributed greatly to the strong criticism expressed in the news media. However, the staff found no reasons to question the validity of the reported statistics, nor could it

find any evidence to demonstrate the allegations of politicization of statistics. This was probably due to the high regard held for the Government professionals associated with the gathering, assembling, and reporting the statistics and the integrity of the professionals which has been built up over the years.

REORGANIZATION OF FEDERAL STATISTICAL ACTIVITIES

In July 1971, the Director of the Office of Management and Budget (OMB) requested the Departments of Agriculture, Commerce, Labor, and Health, Education, and Welfare to review their statistical activities and make any necessary organizational changes in order to provide for a more unified system of data collection, processing, and analysis. The stated purpose of the OMB reorganization plan was to improve quality and reduce duplication and other operational inefficiencies in the statistical activities of the major statistical-gathering agencies.

Because the OMB reorganization plan followed closely on the heels of other actions by the Administration involving Federal statistical activities, comments were made by the news media and others that the reorganization plan was another instance pointing to the Administration's efforts to control the output of the traditionally independent and non-political statistical agencies.

The Subcommittee staff found that the Administration had been considering the realignment through more centralization of Federal statistical activities for a period of time prior to the emergence of the controversy which is the subject of this report. The President's Departmental Reorganization Program proposed that a number of major statistical programs be brought together under common direction in a Department of Economic Affairs. The July 1971 OMB statistical reorganization plan appears to be an interim measure designed to implement some of the organizational realignment contemplated in the President's program to centralize statistical operations, before the President's major executive branch reorganization program could be acted on.

In announcing the OMB reorganization directive, the Chief Statistician of OMB stated:

The need to improve the organization of Federal statistical activities arises from the proliferation of statistical collection activities among some 40 different Federal agencies, the wide disparities in the quality of data and the standards used by the various agencies, incomparabilities in the data from different sources, inflexibility of the present structure in meeting emerging data needs, operational inefficiencies and overlapping collection activities, and similar problems.

The essential characteristics of the reorganization plan initially requires the four previously referred to Departments to consolidate planning and data analysis functions, and to centralize data collection and processing. The plan may be expanded to other Departments after further study. Responsibility for determining the scope and content of statistical programs would remain decentralized in the policy-making agencies of each Department. Each major Department, however, would have a central analytical agency and a central data collection and processing center.

Other Departments with a lesser need for statistical data would contract with the data collection and processing centers for statistical services.

Since the new statistical organizations would be similar in all the major Departments, they could be readily consolidated into a larger organizational unit such as the President's proposed Department of Economic Affairs.

Concerning the July 1971 OMB reorganization directive, it should be noted that such a plan would necessarily have been under development for a period of time prior to its date of issue. The staff noted, for example, that a revised plan leading to the July 1971 directive was drafted by OMB in February 1971.

Reorganization of Federal statistical activities had been proposed in the past. For example, in the early 1950's, the Hoover Commission staff recommended a basic reorganization of such activities. In addition, other Commissions, and Committees of Congress recognized a need for greater coordination and integration of Federal statistical activities.

To date, the July 1971 OMB directive has not resulted in a severe shake-up in the organization of the major statistical gathering agencies. The organizational arrangement of the BLS and the Department of Commerce agencies (Bureau of Census and Office of Business Economics) in existence at that time closely paralleled the OMB proposals.

The most significant organizational change appears to relate to the Department of Commerce statistical agencies. The Bureau of Census and Office of Business Economics (OBE) were brought under the control of a new Social and Economic Statistics Administration (SESA). The Assistant Secretary for Economic Affairs in the Department of Commerce was made the Administrator of SESA. Most of the administrative functions such as budget and finance, property management, and personnel, formerly handled by Census and OBE, were combined and transferred to the Office of the SESA Administrator.

The name of the office of Business Economics was changed and all its functions absorbed by a new Bureau of Economic Analysis (BEA). BEA became the unified analytic arm of SESA and, as such, the statistical indicators program of Census, including issuance of the Business Conditions Digest, was transferred to BEA. BEA also acquired the former Census function relating to special analyses of economic and social conditions in foreign countries. The Bureau of Census, on the other hand, became the centralized data collection and processing agency for SESA. Accordingly, several survey activities and statistical reports were transferred from the former OBE and other Commerce agencies to Census.

At the Bureau of Labor Statistics (BLS) two new offices were created, centralizing data analyses and data collection and processing, each under an Assistant Commissioner—Office of Data Analysis, and Office of Statistical Operations and Processing.

Personnel assignment changes in Census and BEA resulting from the reorganization were made, for the most part, by shifting personnel within house, and not by resorting to hiring from outside the agencies.

Exceptions to this rule were the appointments of Special Assistants to the Director, Bureau of Census, who, we understand, deal in Congressional relations matters. We were informed that one of the Special Assistants formerly worked for the Republican National Committee.

In addition, a recent appointment (May 23, 1972) to the position of Acting Associate Director for Electronic Data Processing in the Bureau of Census was made from the private sector.

Most of the administrative staff at SESA were transferred from Census except two top management posts. The Deputy Administrator, SESA, is an appointee who formerly worked for a management consulting firm, and the Assistant Administrator for Program Review, SESA, a former consulting economist, was appointed from outside the agencies.

Similarly, personnel realignments within BLS resulting from reorganization were also made for the most part by shifting in-house personnel, except for the hiring of an Assistant Commissioner from the private sector to head the new Office of Data Analysis.

Reorganizations commonly foster a short term period of employee discontent within the agencies affected. The Subcommittee staff found that such a reaction also took place among some of the employees at the Bureau of Census and BLS. It is understandable that a lowered employee morale problem would surface as a result of the reorganizational changes. Employees took on different and sometimes lesser duties, supervisors changed, and there was a period of uncertainty while organization realignments took place. The Subcommittee staff heard rumors that several long-term highly respected professionals retired prematurely because of dissatisfaction with the reorganization plans. The Subcommittee staff did not find any basis for this rumor. A top official of the Bureau of Census voluntarily retired after being removed from his position and assigned other duties. The staff was informed that he was removed because, in the judgment of top management, he had not performed adequately in the processing of the 1970 Census data. Two other employees were downgraded and assigned other duties for the same reason.

The Subcommittee staff found that no one questioned the professional qualifications of the persons appointed from the outside or from within to key positions at BLS and Census. To the contrary, most of the people interviewed overtly expressed high regard and complete confidence in the people so appointed.

The staff found no evidence indicating that the reorganization of the Federal statistical activities was politically motivated or that the new organizational structure necessarily tends to make the output of the statistical agencies more susceptible to political manipulation. There is considerable merit in the management concept of centralizing to the most feasible extent, the data collection, processing, and analyses which in the past have been fragmented in many Federal agencies.

A CENTRAL INDEPENDENT STATISTICAL AGENCY

The staff believes that consideration should be given to the feasibility and desirability of establishing one central independent agency to collect and process all general purpose statistical data for the Federal Government. It appears that the consolidation of all the data collection and processing activities would be particularly advantageous and economical. Some of the advantages and economies of a central independent agency are:

(1) Reduce the opportunity for an incumbent administration to exercise a partisan effect on or influence vital statistical information which should bring about more credibility in published data.

(2) Focus Federal statistics at one point where the data could be used to the greatest public advantage.

(3) Remove the fragmentation and diffusion of overall Government statistics now being produced by four principal Government agencies.

(4) Reduce duplication of gathering and reporting certain related statistical data.

(5) Increase efficiency and economy in statistical data operations by better utilization of enumerators and complex Automatic Data Processing hardware.

(6) Reduce confusion and inconvenience experienced by the general public and lower levels of government (State, city, and county) which arise because several statistical data gathering agencies approach the public and lower government levels at different times to obtain information. Also, all statistical data could be obtained from one source in the Federal Government.

(7) Combine the existing separate gathering and publication of statistics effecting the economic picture—parts of the overall economic picture are now being developed by Agriculture, BLS, and Census.

(8) Bring about uniformity in publishing statistical data, and

(9) Create an ability on the part of the Government to assign responsibility and accountability for all Federal statistics.

To realize these apparent advantages, the central independent agency should include the statistical responsibilities of Agriculture, BLS, Census, and the National Center for Health Statistics, HEW.

Generally, each of these statistical agencies have their own full-time and part-time employees to conduct periodic surveys. Since the survey work is often cyclical, it creates a management problem to realize optimum utilization of the full-time professional employees, and lessened benefits are obtained from the services of the part-time inexperienced employees together with the additional administrative and training costs. Better utilization of employees and the development of a strong, experienced professional staff would be more readily attainable by centralizing this activity. Also, centralization of data collection and processing should result in the economical procurement and better utilization of the latest and often costly automatic data processing equipment.

The diffusion of data collection among a number of different Federal agencies is also confusing and annoying to the general public, private business organizations, and State and local governments who are subjected to requests for statistical data in various and sundry forms from the several Federal agencies currently gathering statistical data. Similarly, individuals and organizations who have an interest in and need for the statistical information compiled from the surveys are confused and inconvenienced in attempting to determine what data is available and where to go to obtain it.

The present diffusion of statistical gathering responsibilities to several major agencies also leads to other undesirable administrative features. For example, the Bureau of the Census engages in a number

of statistical programs which have little or no relationship to the mission of the parent Department of Commerce. A former high official of the Bureau of the Census indicated to the staff that on occasion top management of the Department gave less than enthusiastic budgetary and other support to some of the Census Bureau activities. In addition, the placement of statistical organizations such as the Bureau of Labor Statistics and the Statistical Reporting Service under the administrative controls of the Departments of Labor and Agriculture respectively, could result in intentional or unintentional statistical bias in favor of the parent Department's viewpoints. Such biases, of course, would be the antithesis of sound statistical results.

The confidentiality of statistical information gathered by the Federal Government is of paramount concern to the public and Members of the Congress. Any weakening of this universally accepted public policy would have an undesirable effect on the integrity of the Federal statistical program. In the past, fears had been expressed that a central statistical agency would tend to dilute the controls over safeguarding such data. The Subcommittee staff believes that this is not necessarily an inevitable effect of centralization. On the contrary, the staff believes that consolidation of information and responsibility for safeguarding it could strengthen the system of control. There would be a point of focus where tight controls and accountability could be established instead of the present diverse locations under several Government organizations with varying legal mandates and officials having differing views on the concept of confidentiality. Cognizant committees of Congress and other authorities could maintain constant surveillance over the proposed centralized agency's activities.

Unshakable public trust and confidence in the security of information provided to an agency is essential for fulfillment of the agency's mission because much of the statistical information compiled is obtained voluntarily from the public. If for no reason other than in the interests of survival, such agency officials therefore would be inclined to strenuously defend the confidentiality principle. Along these lines, the differing opinions concerning the applicability of the Federal Reports Act of 1942 and Census law on the subject of confidentiality expressed in recent correspondence between the Subcommittee and OMB, Census, Attorney General, and Comptroller General would be avoided under a centralized independent statistical agency governed by precise legal mandates.

Supplementing the probable economies and other potential benefits, such an independent agency would tend to mitigate the real or imagined fears that Federal statistics have been or could be manipulated for political or other purposes. The director or administrator of the central independent statistical agency should be appointed by the President, by and with the advice of the Senate. His term of office should be for a definite period of not less than 10 years nor more than 15 years without the privilege of reappointment. The staff believes that the foregoing procedure of appointment and tenure of office should assure the independence of the central agency and remove concern of partisan influence regardless of the political loyalties of the incumbent administration.

In conclusion, the staff believes that there is considerable merit in the concept of a central independent statistical gathering and proces-

sing agency, and suggests that the Subcommittee examine further into this matter.

OBSERVATIONS AND CONCLUSIONS

Allegations have been made that politicization or attempts to politicize Federal statistics has occurred. However, it was not possible to demonstrate such action. Some of the 65 persons interviewed were of the opinion that if politicization had taken place, it would have been attempted by the then incumbent Administration regardless of political party in power.

The 65 persons interviewed were practically unanimous in the opinion that the gathering, assembling, and reporting of the statistical data was free of politics. This was based on the high regard for the ability, integrity, and professionalism of the technicians concerned. No criticism was expressed concerning the reliability and validity of the statistical data.

At the time of the discontinuance of the BLS press conferences, the news media were sharply critical of this action. However, during the Subcommittee staff's interviews with them, the members of the press did not appear to be disturbed or particularly concerned that the conferences were no longer being held. The original criticism has diminished substantially with the passage of time and is practically non-existent now. The knowledgeable reporters found that they could prepare their news stories based on the expanded BLS news releases and readily available additional information if needed obtained from BLS technicians. This was particularly true for the reporters with the major newspapers and press service. The fears of political influence or alteration of statistical data which existed at the time of the discontinuance of the press conferences have diminished to the point where there is little, if any, concern now.

Several of the interviewees felt that the press briefings should never have been started and that the BLS technical personnel should never have been involved. Rather, if held at all, the briefings should have been conducted by representatives of the Administration or by political personalities which would have put the briefings in the proper perspective, such as separating the statistical data from interpretation and comment. The question of press conferences does not seem to be a matter of interest at the current time.

The latest reorganizations which have taken place at BLS and Census have been the subject of consideration since about the middle 1950's. The principal objective of the reorganization was to segregate the data gathering, assembling, and reporting from the planning for and analysis of the data. The Office of Management and Budget directive instructing the agencies to reorganize was issued in July 1971. However, the directive in draft form had been prepared, based on previous considerations, before the discontinuance, of the BLS press conferences. The Subcommittee's staff found no evidence that the two were related. None of the 65 persons interviewed expressed the opinion that politics played a major role in bringing about the reorganization.

Several interviewees felt that major advantages would be realized by the reorganization such as (1) better utilization of data personnel,

i.e., enumerators, as well as technical employees, and (2) improvement in the reliability and validity of the statistical data, i.e., closing the credibility gap. It was the general consensus of the 65 persons interviewed that they were not concerned about the personnel appointed to fill key positions created by the reorganization.

The general opinion was that all key personnel were highly respected and well qualified professionals. Also, that none of the appointments to key operating positions were made solely on the basis of political preference. At BLS all appointments to key positions, except for one, were filled by long-term BLS personnel. The exception was the appointment of an Assistant Commissioner from outside BLS who is considered a highly qualified and recognized professional. At the time of the staff's study the Bureau of the Census had not appointed an outsider to a key operating position, but was considering one such appointment. The individual under consideration is a recognized specialist in his field who, it is believed, can make a substantial contribution in the ADP area at Census.

While appointments to some of the key positions have been subject to question, principally by employees at both BLS and Census, the Subcommittee's staff found no evidence that required technical competence was sacrificed or lessened by any political influence that may have been exercised in the selection of the personnel concerned. Further, no basis was found to question the two agencies' decisions to carry out what are normal management prerogatives.

CONCLUSION

The Subcommittee's staff found no supportive evidence of conspiratory politicization of Federal statistics. However, under the present decentralized system of collecting and analyzing statistics, it is indeed possible and could be politically advantageous for an incumbent Administration to politically influence and utilize the various statistical agencies. Thereby, the Committee believes that this is a matter which warrants constant vigil to insure the continuation of public confidence in the reliability and validity of Federal statistics and to avoid creating a credibility gap in Government information. The Committee suggests that the Subcommittee consider conducting similar studies in this area from time to time.

Based on this concern and aforementioned considerations, the Committee believes that there is considerable merit in establishing a central independent statistical agency to collect and process all general purpose statistics for the Federal Government. Accordingly, the Committee recommends that the Subcommittee inquire further into this matter to determine the feasibility and desirability of recommending such an agency.

APPENDIX

PERSONS INTERVIEWED DURING STUDY

Department of Labor

James D. Hodgson, Secretary of Labor

Bureau of Labor Statistics

Geoffrey Moore, Commissioner

Ben Burdetsky, Deputy Commissioner

Harold Goldstein, Assistant Commissioner, Office of Manpower
Structure and TrendsHyman Kaitz, Assistant Commissioner, Office of Current Employment
AnalysisJoel Popkin, Assistant Commissioner, Office of Prices and Living
Conditions

Robert Dorman, Chief, Division of Industry Employment Statistics

Helen Lamale, Chief, Division of Living Conditions

Janet Norwood, Chief, Division of Prices and Price Indexes

*Department of Commerce**Social and Economic Statistics Administration*Harold C. Passer, Assistant Secretary of Commerce and Administra-
tor

Joseph R. Wright, Deputy Administrator

Bureau of Economic Analysis

George Jaszi, Director

Bureau of the Census

George H. Brown, Director

V. Lance Tarrance, Special Assistant to the Director

Matthew Ericson, Legal Counsel

Walter F. Ryan, Associate Director for Economic Fields

Paul R. Squires, Associate Director, Data Collection and Processing

Conrad Taeuber, Associate Director for Demographic Fields

James R. Pepal, Chief, Computer Services Division

Milton Eisen, Chief, Construction Statistics Division

Elmer Biles, Chief, Industry Division

Martin Boisen, Chief, Statistical Methods Division

David P. McNelis, Chief, Governments Division

Herman P. Miller, Chief, Population Division

Earle J. Gerson, Acting Assistant Chief, Demographics Surveys
Division

Ed Goldfield, Chief, International Statistical Programs Division

Robert B. Voight, Chief, Data User Services Office

Sol Dolleck, Assistant Chief, International Statistical Programs Divi-
sion

John Spencer, Research Specialist

Office of Public Information

James Berger, Information Officer

Office of Management and Budget

Julius Shiskin, Chief Statistician

*Department of Agriculture*Harry C. Trelogan, Administrator, Statistical Reporting Service
Quinton M. West, Administrator, Economic Research Service*Department of Health, Education and Welfare*

Theodore D. Woolsey, Director, National Center for Health Statistics

Civil Service Commission

Paul Katz

Former employees of the Departments of Labor and Commerce

Dallas M. Coors, Commerce (Bureau of International Commerce)

Joseph F. Daly, Commerce (Census)

Robert F. Drury, Commerce (Census)

A. Ross Eckler, Commerce (Census)

Richard M. Scammon, Commerce (Census)

Peter Henle, Labor (BLS)

Abe Rothman, Labor (BLS)

Howard Stambler, Labor (BLS)

News Media

Bernie Calame, Wall Street Journal

Ray Cole, Jack Anderson's Staff*

Neil Gilbride, Associated Press

Tony Marro, Newsday

Phillip Meyer, Knight Newspapers

Art Pine, Baltimore Sun

Dick Ritter, Federal Times

Jack Rosenthal, New York Times*

Ron Smith, Federal Times

Congressional Staffs

Loughlin F. McHugh, Joint Economic Committee

John R. Stark, Joint Economic Committee

Sandy Stein, Senator Adlai E. Stevenson III's Office

Hal Wolman, Senator Adlai E. Stevenson III's Office

William G. Phillips, House Subcommittee on Foreign Operations and
Government Information*Others*

John Aiken, Federal Statistics Users Conference

John Beresford, Data Use and Access Labs

Michael Couzens, Brookings Institution

Dr. Rendigs Fels, Secretary-Treasurer, American Economic
Association*

J. Kenneth Galbriath, President, American Economic Association*

Rudy Oswald, AFL-CIO

Charles L. Schultze, Brookings Institution (Formerly Director,
Bureau of the Budget)

Dr. Wm. H. Shaw, President, American Statistical Association

*Telephone interviews.

Mr. HAUSER. Mr. Chairman, I would like to respond to what is being said.

I am a little puzzled by the logic that what has been read can in any way be interpreted as in conflict with what my testimony has been. I can only believe that the gentleman did not hear what I had to say. I am in complete agreement with the facts, and I made that clear in my presentation, that the reorganization and the question of the press conferences were subjects that had come up prior to the actual episode of conflict. I think the statements which have just been read in no way can be interpreted as in conflict with any of the testimony I presented, nor does it in any way change any one of the—

Representative BLACKBURN. I am going to take sharp exception to the statement that it doesn't conflict with what you say. The word "reprehensible" rolled out of your mouth several times. And when you start deeming the actions of a Federal agency as being reprehensible, I don't think that is a very fine compliment to that agency, and that is in sharp conflict with that staff study in that it found no evidence of any reprehensible activity on the part of that agency.

Mr. HAUSER. I couldn't agree with you more, but when I say reprehensible I mean reprehensible. And there isn't a single thing you have quoted that is in conflict with my evidence. And I challenge you to put that to the test.

Representative BLACKBURN. If you can reach the conclusion that what I have said doesn't conflict with anything that you have said, then anything else you have said is subject to question.

I have no further questions.

Mr. RUTTENBERG. I am in conflict with Mr. Blackburn's reading of the staff report of the Dulski Post Office and Civil Service Committee.

I think, Mr. Blackburn, that it would be fair to say that one has to make a distinction between the preparation—the collation, preparation, and publication of the data, and I think the report you read from, directs its attention to the statistician preparing the material. I don't and I am sure Mr. Hauser doesn't, in any way impugn the integrity of the statistician in the preparation of the report. What my presentation went to, and Mr. Hauser can speak for himself, is the role of interpreting the data that is prepared. No one is saying that the Bureau of Labor Statistics is not properly preparing their current "Monthly Report of the Labor Force," or currently properly and adequately preparing its productivity data, or its price data. What we are saying is—and I happen to have been a member of the Gordon committee; I happen to have been responsible for writing the chapter in the Gordon committee dealing with the release of the unemployment statistics—and what we are saying is that there is, as Mr. Hauser has said, a distinction between the statistician who reports the data and the person or persons who choose to interpret the data. The politician has a perfect right, and even a duty and responsibility, to interpret the data as he sees it. But one has got to make a distinction between the development of the data and its reporting by the statistician, which is now not permitted to occur at a press conference by the statistician, but instead occurs only by virtue of comments that are made by the political officials.

Let's make the distinction between the preparation of the data and interpretation.

Representative BLACKBURN. Let me read further from the staff study on page 3:

In the subcommittee's staff discussion of possible politicization with the BLS official, who had previously conducted the BLS press conferences on the unemployment index, he stated that the press releases issued after the discontinuance of the press conferences might include a subtle phrase or word which might have political connotations. The staff inquired as to whether it might detect this by comparing the press releases issued before and after the discontinuance of the press conferences. He informed the staff that he did not believe this could be done, and added that even he, with his familiarity with the subject matter, could not point to specific words or phrases having political connotations. Similar statements and opinions were expressed by two former key BLS professionals and by some members of the news media who had attended the press conferences.

On the subject of the failure to use the poverty index, as I understand it, they are waiting until all the data from the 1970 census has been gathered, so they will have a good base from which to operate. And they make this observation on that:

"The professional statisticians and economists recommend the resumption of publishing the poverty index at the time the 1970 census data becomes available for use as a base. The staff believes that the decision to temporarily discontinue the publishing of the poverty index until the 1970 census data"—and when I mention the staff, it means the staff of this committee—"was not only reasonable and rational, but also precluded the publication of data which would be misleading."

Chairman PROXMIRE. When you say this committee, you are not talking about the Joint Economic Committee?

Representative BLACKBURN. I am talking about the staff of the Subcommittee on Census and Statistics which prepared this.

Chairman PROXMIRE. Would you like to comment, Mr. Hauser?

Mr. HAUSER. Yes. May I say that just as good a case may be made to shift the sample from the 1960 to 1970 data base for what is still being issued as the monthly report on the labor force. That has been done over successive censuses. It is now in the process of being done again. One can, if one wanted to, follow the same logic and say that the monthly report on the labor force should be completely abandoned until a shift is made from the 1960 to 1970 census base. But this is not necessary. As a matter of fact, all that you get by reason of shifting from the 1960 base to the 1970 base in the monthly report on the labor force is more efficient statistics, but not any less representative statistics and not biased statistics.

Now, there is some room for technical disagreement about the continuation of the poverty area unemployment rates, in the sense that the poverty areas involve the definition of census tracts which were deemed as "poor" during the 1960 census. And there is room here for judgment as to whether or not a continuation of that series was or was not significant enough in the light of error that was involved and in the light of the public purpose to be served.

May I make this statement—I will make it quite flatly—that if an administration deemed it significant to continue to get measures of unemployment in poverty areas, that there were absolutely no tech-

nical barriers to that series being continued, albeit at somewhat higher cost.

Now, I am not arguing that there is no room for honest disagreement on the policy side as to whether or not the costs involved would have merited the continuation of that series. But to say flatly that it was technically impossible is not true. And you must put this matter into the context of all these other developments. I say that you don't want to consider only isolated individual instances; you have got to look at the whole complex and the whole additive picture that is presented.

Mr. RUTTENBERG. Mr. Chairman, I would like to add just one brief word in terms of Congressman Blackburn's point, and the report he was quoting from.

A good example of the problem that we are talking about, and which puts us in the position of saying we agree fully with the report, at least I agree fully with the report you are talking about—

Mr. HAUSER. And so do I.

Mr. RUTTENBERG (continuing). But the problem is, take the press releases. Take the release yesterday on prices. What happened? Instead of having a Bureau of Labor technician explain the interpretation of the data—I am not questioning the press release; the press release was fine—but what happened? The press conference which was organized was one at which a member of the Council of Economic Advisers, a politically appointed individual, interprets the data. Now, I am saying that what the press and the public ought to get is, first of all, an analysis of that report by the technician, which is in part in the press release, but which could be further elaborated by the technician at the press conference, and then the politically appointed officials can get in and do whatever they want, as Mrs. Whitman did yesterday. But I think what we are missing in this—and the only thing that I am directing my attention to—is, how could we get before the general public the straightforward reporting of the data by the technician whom we all understand to be impartial.

I know Mrs. Whitman, and I have a great respect for her. But yet she is a politically appointed official, and she is going to reflect the position of the administration. That has a right to be public, it has a right to be in the paper. But there also has the right to be a press conference in which the statistician is subject to being questioned by the press in the interpretation of the data. And that is the issue to which I am directing my remarks.

Representative BLACKBURN. Mr. Chairman, my time has expired. I do have some final comments.

Chairman PROXMIRE. Why don't you go ahead. I have some concluding comments before we call on Mr. Moore.

Representative BLACKBURN. I think the staff study that I quoted from earlier directs itself specifically to the matter that you have just discussed. And I quote again on page 7:

With the passage of time, interest in and the necessity for the press briefings has declined dramatically.

And I think the attendance at this hearing today pretty well attests to that.

Members of the press who formerly attended the briefings were generally consistent in their feeling that there was no great loss as a result of the dis-

continuance of the briefing. Reporters from the major newspapers and press services expressed the opinion that without the briefings they were able to write their articles quicker, principally because the press releases contained more of the descriptive material and tables. In the event that additional or explanatory information was needed, the reporters stated that this can be readily obtained, generally by telephone calls to the Bureau of Labor Statistics personnel concerned.

I think this staff report could not have been more timely. It could not have been any more in point with the discussions we have had earlier. And I frankly would appreciate it, Mr. Chairman, if Mr. Hauser could stay while Mr. Moore testifies, since I think there is some differences between their opinions, and I think it would only be fair that Mr. Moore be here to respond to some of the charges that have been made.

Chairman PROXMIER. I would hope that both Mr. Hauser and Mr. Ruttenberg could stay. We would appreciate this very much.

May I say that I think this has been one of the best hearings of this kind that we have had. I am delighted that Congressman Blackburn was here and that he made his point as emphatically and as effectively as he did. But I still have exactly the same conclusion. And I think that both Mr. Hauser and Mr. Ruttenberg stated it very well. They don't quarrel with the report at all. There is no quarrel about the gathering of this information; there is no feeling that there are people down there who are changing the unemployment figure or the other figures from 5.5 to 3.2 or 6.1, these are accurate. But the interpretation is critical. And the desirability of having an objective, competent person interpret these statistics from a professional standpoint without any politicalization is just invaluable to the press and to this committee. I think that, as I say, this has been more valuable, because I think that Congressman Blackburn very well showed that we are not trying to get at—we are not saying there is a conspiracy, that people are being forced to report false statistics, not at all. We are saying, however, that these statistics don't mean very much until they are interpreted in the context of our economy and in the context of what is happening in the past. And this takes a high degree of professionalism. It should not be left to political figures, most of whom are not competent, and all of whom have a very distinct bias, especially in the few months before an election.

And so I think that you gentlemen have contributed very much to my understanding, and I think to an excellent record.

I do intend to follow up the excellent advice of Mr. Hauser and see that the statistical association comes here from time to time and testifies, and gives us reports on the handling of these matters on a regular basis.

There has been no repudiation in this report of the excellent documentation that Mr. Hauser gave us that competent people have been in effect drummed out, intimidated. They have left the service before their time, and they had a great deal to contribute to our understanding. And that is a most unfortunate situation.

So, that I think that we have learned something this morning, and it has been valuable. And I do want to thank both of the gentlemen. I do hope you will stay.

Why don't you sit, if possible, near here, because I don't know how many people are coming up with Mr. Moore, but he may want you to comment and then have Mr. Moore respond.

Mr. HAUSER. Mr. Chairman, I can stay to 12:30. And I predict that Mr. Moore will say nothing with which I will disagree. I make that prediction before you.

Chairman PROXMIRE. Both you and Mr. Moore have my admiration and respect. As you say, you are both former heads of the Statistics Association. And I think the committee and the public is well served by the testimony of both of you gentlemen.

Mr. Moore, won't you come forward and bring your other experts with you.

Once again, Mr. Moore, for the record, would you introduce these gentlemen? They have become very familiar to the chairman and the members of the committee, but for the record we would appreciate it if you would give the names and titles of the gentlemen.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY JEROME A. MARK, ASSISTANT COMMISSIONER FOR PRODUCTIVITY AND TECHNOLOGY; HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; JOEL POPKIN, ASSISTANT COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND NORMAN SAMUELS, ASSISTANT COMMISSIONER FOR WAGES AND INDUSTRIAL RELATIONS

Mr. MOORE. With me are Mr. Mark, Assistant Commissioner for Productivity and Technology; Mr. Hyman Kaitz, Assistant Commissioner for Current Employment Analysis; Mr. Joel Popkin, Assistant Commissioner for Prices and Living Conditions; and Mr. Norman Samuels, Assistant Commissioner for Wages and Industrial Relations.

I should like to put as usual in the record, if you will, the press release we issued this morning on the employment situation, the press release that we issued yesterday on the Wholesale Price Index, and the table that I have been presenting at these hearings now for some months on the changes in prices, wages, and productivity during the stabilization program. I have copies of that table here if you wish to have them.

Chairman PROXMIRE. Without objection, that material will be printed in full in the record.

(The information follows:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-684, Oct. 6, 1972]

THE EMPLOYMENT SITUATION: SEPTEMBER 1972

Employment continued to rise in September, while unemployment was essentially unchanged, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The Nation's unemployment rate stood at 5.5 percent in September, about the same as in the previous 3 months but below the 6-percent mark around which it had fluctuated between late 1970 and May 1972.

Total employment advanced 250,000 on a seasonally adjusted basis between August and September, continuing the expansion evident since mid-1971. Non-agricultural payroll employment posted a gain of similar magnitude in September.

UNEMPLOYMENT

The number of unemployed persons totaled 4.7 million in September, down 200,000 from August. This decline was about in line with the usual August-to-

September change, and, after seasonal adjustment, the level of unemployment was essentially unchanged, as was the overall jobless rate of 5.5 percent.

Unemployment rates for the major age-sex-color groups—adult men (3.8 percent), adult women (5.4 percent), teenagers (16.5 percent), whites (5.0 percent), and Negroes (10.2 percent)—also were basically unchanged from August. The jobless rate for household heads (3.3 percent) was unchanged for the second consecutive month, whereas the rate for married men edged up from 2.6 to 2.8 percent between August and September. For full- and part-time workers, unemployment rates were also unchanged over the month. With the exception of the rates for teenagers, Negroes, and part-time workers, the jobless rates for all of the above groups were lower in September than a year earlier.

There were also few salient changes in joblessness among the major occupational and industry groups between August and September. However, the jobless rate for blue-collar workers declined from 6.5 to 6.1 percent, reaching its lowest level since May 1970; the over-the-month decline was due in large part to an improvement among nonfarm laborers, whose rate declined from 10.9 to 9.6 percent. The rate for service workers, on the other hand, rose sharply, from 6.3 to 7.3 percent. Among the industry groups, the rate for construction workers dropped from 11.6 to 9.2 percent, its lowest point since April 1970. The rate for manufacturing workers, which has dropped substantially since May, was at 5.1 percent in September, also the lowest since April 1970.

The unemployment rate for workers covered by State unemployment insurance programs remained at 3.4 percent, its lowest level since the beginning of the year.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | September 1972 | August 1972 | July 1972 | 3d quarter, 1972 | 2d quarter, 1972 | 1st quarter, 1972 | 4th quarter, 1971 | 3d quarter, 1971 |
|---|------------------|-------------|-----------|------------------|------------------|-------------------|-------------------|------------------|
| Civilian labor force ¹ | | | | | | | | |
| (millions of persons)..... | 87.0 | 86.9 | 86.5 | 86.8 | 86.4 | 85.9 | 85.0 | 84.2 |
| Total employment ¹ | 82.2 | 82.0 | 81.7 | 82.0 | 81.4 | 80.8 | 80.0 | 79.2 |
| Adult men..... | 47.2 | 47.1 | 47.0 | 47.1 | 46.7 | 46.4 | 46.1 | 45.9 |
| Adult women..... | 28.3 | 28.3 | 28.1 | 28.2 | 27.9 | 27.9 | 27.5 | 27.1 |
| Teenagers..... | 6.7 | 6.6 | 6.6 | 6.6 | 6.8 | 6.6 | 6.3 | 6.2 |
| Unemployment..... | 4.8 | 4.9 | 4.8 | 4.8 | 5.0 | 5.0 | 5.0 | 5.0 |
| Unemployment rates (percent of labor force): | | | | | | | | |
| All workers..... | 5.5 | 5.6 | 5.5 | 5.6 | 5.7 | 5.8 | 5.9 | 6.0 |
| Adult men..... | 3.8 | 3.9 | 3.9 | 3.9 | 4.2 | 4.1 | 4.3 | 4.4 |
| Adult women..... | 5.4 | 5.5 | 5.7 | 5.6 | 5.6 | 5.3 | 5.7 | 5.7 |
| Teenagers..... | 16.5 | 16.9 | 14.8 | 16.1 | 15.8 | 18.2 | 16.9 | 16.8 |
| White..... | 5.0 | 5.1 | 5.0 | 5.0 | 5.3 | 5.3 | 5.4 | 5.5 |
| Negro and other races..... | 10.2 | 9.7 | 9.9 | 9.9 | 9.9 | 10.6 | 10.1 | 10.1 |
| Household heads..... | 3.3 | 3.3 | 3.3 | 3.3 | 3.5 | 3.4 | 3.6 | 3.7 |
| Married men..... | 2.8 | 2.6 | 2.7 | 2.7 | 2.9 | 2.9 | 3.2 | 3.2 |
| Full-time workers..... | 5.0 | 5.1 | 5.1 | 5.1 | 5.3 | 5.4 | 5.6 | 5.5 |
| State insured ² | 3.4 | 3.4 | 3.8 | 3.5 | 3.6 | 3.5 | 4.2 | 4.2 |
| Average duration of unemployment (weeks)..... | 12.2 | 12.1 | 11.8 | 12.0 | 12.8 | 12.2 | 11.9 | 11.7 |
| Nonfarm payroll employment (millions of persons)..... | 73.2 | 73.0 | 72.7 | 73.0 | 72.5 | 71.8 | 71.1 | 70.6 |
| Goods-producing industries..... | 23.2 | 23.1 | 22.9 | 23.1 | 23.0 | 22.7 | 22.6 | 22.5 |
| Service-producing industries..... | 50.1 | 49.9 | 49.7 | 49.9 | 49.5 | 49.0 | 48.5 | 48.2 |
| Average weekly hours (hours of work): | | | | | | | | |
| Total private nonfarm..... | 37.3 | 37.1 | 37.2 | 37.2 | 37.1 | 37.1 | 37.1 | 36.9 |
| Manufacturing..... | 40.7 | 40.6 | 40.6 | 40.6 | 40.7 | 40.3 | 40.1 | 39.8 |
| Manufacturing overtime..... | 3.5 | 3.4 | 3.4 | 3.4 | 3.4 | 3.1 | 3.0 | 2.9 |
| Hourly earnings index, private nonfarm (1967 equals 100): | | | | | | | | |
| In current dollars..... | 138.8 | 138.3 | 137.8 | 138.3 | 136.8 | 135.0 | 132.4 | 130.8 |
| In constant dollars..... | (⁴) | 110.1 | 110.0 | (⁴) | 109.8 | 109.0 | 107.9 | 107.2 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

² For calculation of this rate, see table A-3, footnote 2.

³ Preliminary.

⁴ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

CIVILIAN LABOR FORCE AND TOTAL EMPLOYMENT

The civilian labor force usually declines sharply between August and September, as large numbers of young people leave the labor market to return to school. This September, the labor force declined about as expected (1.7 million) and after seasonal adjustment was little changed from August, at 87.0 million, following a sizeable gain in the previous month. Since July, the civilian labor force has risen by 600,000, in contrast to the April-to-July period when it showed little growth.

The total number of employed persons declined less than it usually does between August and September, and, on a seasonally adjusted basis, was up 250,000 in September to 82.2 million. The employment increase was about equally distributed among adult men and teenagers, and, as was the case in the previous month, was largely of a part-time nature.

Since September 1971, total employment has risen by over 2.4 million (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972). Adult men accounted for over 1.1 million of this increase, adult women for 800,000, and teenagers for nearly 500,000. Workers with full-time jobs accounted for four-fifths of the over-the-year increase.

VIETNAM ERA VETERANS

The employment situation for Vietnam Era veterans 20 to 29 years old improved in September. At 6.6 percent, their seasonally adjusted jobless rate was down substantially from August (7.7 percent) and a year ago (9.8 percent) and was below the 7-percent mark for the first time in nearly 2 years. All of the over-the-month improvement was in the 20-to-24 year age group, as their unemployment rate fell sharply, from 12.5 to 9.0 percent. For veterans aged 25-29 years, the unemployment rate of 5.1 percent was not appreciably different from the August figure, but it was lower than a year earlier. (See table A-7.)

The seasonally adjusted unemployment rate for nonveterans 20-29 years of age, at 6.1 percent in September, was not materially different from August. Given this stability and the decline in the veteran rate, the gap between the unemployment rates of veterans and nonveterans narrowed considerably in September.

INDUSTRY PAYROLL EMPLOYMENT

Nonfarm payroll employment advanced 240,000 in September to 73.2 million, after adjustment for seasonality. Since September a year ago, the number of payroll jobs has risen sharply—by 2.4 million.

About 90,000, or one-third, of the September gain in nonagricultural employment occurred in manufacturing and was concentrated in the primary metals and electrical equipment industries. At 19.0 million, manufacturing employment was at its highest level since September 1970.

The number of workers on contract construction payrolls in September was unchanged from the revised August level of 3.5 million, despite a reduction in strike activity.

In the service-producing sector, employment rose by 150,000, with gains posted in government, trade, and finance, insurance, and real estate.

HOURS OF WORK

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls declined less than it usually does between August and September. After seasonal adjustment, the workweek rose 0.2 hour to 37.3 hours. This represented an increase of four-tenths of an hour over September a year ago. The largest over-the-month increase in hours occurred in the mining and services industries. In manufacturing, both the average workweek (40.7 hours) and overtime hours (3.5 hours) have been virtually unchanged since April but were up substantially from a year earlier.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of rank-and-file workers on nonagricultural payrolls rose 6 cents to \$3.71 in September. Large increases in hourly earnings are typical at this time of year, because many young people leave lower-paying summer jobs. After adjustment for seasonality, hourly earnings were up 2 cents to \$3.68. Compared with a year ago, average earnings have risen 21 cents or 6.0 percent.

The September gain of 6 cents in hourly earnings resulted in an increase in average weekly earnings of \$1.51 to \$138.75, despite a small drop in the actual

workweek. After seasonal adjustment, average weekly earnings were up by \$1.47.

Since last September, average weekly earnings have risen \$9.25 or 7.1 percent. During the latest 12-month period for which the Consumer Price Index is available—August 1971 to August 1972—consumer prices rose 2.9 percent.

HOURLY EARNINGS INDEX

The Bureau's Hourly Earnings Index, seasonally adjusted, was 138.8 (1967=100) in September, 0.4 percent higher than in August, according to preliminary figures. The index was 5.7 percent above September a year ago. (See table B-4). All industries posted over-the-year increases, ranging from 4.3 percent in services to 9.0 percent in transportation and public utilities. During the 12-month period ending in August, the Hourly Earnings Index in dollars of constant purchasing power rose 2.7 percent.

QUARTERLY DEVELOPMENTS

The employment situation continued to show improvement in the July-September quarter. The overall jobless rate edged down further, while total employment increased substantially for the fifth consecutive quarter.

UNEMPLOYMENT

The number of unemployed persons declined to 4.8 million (seasonally adjusted) in the third quarter, after averaging 5.0 million for every quarter since early 1971. Although the overall jobless rate, at 5.6 percent, was only slightly lower than in the second quarter, it has been edging down gradually since the third quarter of 1971, when it was 6.0 percent.

Although jobless rates for many labor force groups showed little change in the third quarter, the jobless rate for adult men did show considerable improvement. At 3.9 percent, it was down from 4.2 percent in the previous quarter, its lowest quarterly average in 2 years. In contrast, the rate for adult women (5.6 percent) has been essentially unchanged since late 1970. The unemployment rate for teenagers, at 16.1 percent, was essentially unchanged, after receding from its post-World War II high of 18.2 percent reached in the first quarter. Unemployment rates for household heads and married men both declined in the third quarter to their lowest point since the third quarter of 1970.

The jobless rate for Negro workers was unchanged at 9.9 percent in the third quarter, while the rate for whites declined from 5.3 to 5.0 percent, the lowest since the third quarter of 1970. The over-the-quarter drop among whites was attributable to a decline in joblessness for adult men. Because of these developments, the ratio of Negro-to-white jobless rates again reached the 2-to-1 level registered in the first quarter, following 9 straight quarters below it.

The third quarter decline in the number of unemployed persons resulted entirely from a reduction among those who had never worked before. During the period, the number of persons who became jobless for other reasons—either because they lost their last job, quit their job, or re-entered the labor force—was about the same as in the second quarter. However, most of the over-the-year decline has occurred among job losers.

The average (mean) duration of unemployment declined to 12 weeks in the third quarter from an 8-year high of 12.8 weeks reached in the April-June period.

LABOR FORCE AND TOTAL EMPLOYMENT

The civilian labor force advanced 400,000, seasonally adjusted, in the third quarter to 86.8 million. The increase was about equally divided among men and women, while the number of teenage workers declined. Since the second quarter of 1971, the civilian labor force has posted substantial quarter-to-quarter gains, rising by 2.7 million over the entire period.

Total employment rose 540,000 (seasonally adjusted) in the third quarter to 82.0 million. Over three-fourths of the increase was among adult men. After remaining weak during most of 1970 and the first half of 1971, total employment has risen sharply over the last 5 quarters—by 2.9 million—consisting of 1.3 million adult men, 1.2 million adult women, and 450,000 teenagers.

INDUSTRY EMPLOYMENT

Nonagricultural payroll employment averaged 73.0 million in the July-September period (seasonally adjusted), an increase of 440,000 from the previous quar-

ter and 2.3 million from a year ago. The third quarter increase was attributable almost entirely to pickups in the service-producing industries where employment advanced 380,000 to 49.9 million, 1.7 million above the year-ago level. The largest over-the-quarter gains in the services sector were posted in trade, services, and State and local government.

In the goods-producing industries, the number of jobs rose by only 60,000 in the July-September period to 23.1 million (seasonally adjusted), all of which took place in manufacturing. At 18.9 million, the number of workers on factory payrolls was up 500,000 from a year ago, following 2 years of steady decline from the alltime high of 20.3 million reached in the third quarter of 1969.

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

Beginning with this release, the annual adjustment of the establishment-based series in tables A and B-1 through B-4 to new benchmarks (comprehensive counts of employment) and to new seasonal factors is being introduced. The October 1972 issue of *Employment and Earnings* will contain a discussion of the effects of these revisions and provide revised historical data and new seasonal adjustment factors.

NOTE.—Figures for periods prior to January 1972 in the tables and charts are not strictly comparable with current data because of the introduction of 1970 Census data into the estimation procedures. For example, the civilian labor force and employment totals were raised by more than 300,000 as a result of the census adjustment. An explanation of the changes and an indication of the differences appear in "Revisions in the Current Population Survey" in the February 1972 issue of *Employment and Earnings*.

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

| Employment status, age, and sex | Seasonally adjusted | | | | | | | |
|--|------------------------|----------------|------------------------|------------------------|----------------|--------------|--------------|-------------|
| | Sep- tember 1972 | August 1972 | Sep- tember 1971 | Sep- tember 1972 | August 1972 | July 1972 | June 1972 | May 1972 |
| TOTAL | | | | | | | | |
| Total labor force..... | 89,098 | 90,758 | 86,884 | 89,454 | 89,256 | 88,855 | 88,788 | 88,905 |
| Civilian labor force..... | 86,693 | 88,362 | 84,135 | 87,049 | 86,860 | 86,467 | 86,395 | 86,486 |
| Employed..... | 82,034 | 83,505 | 79,295 | 82,222 | 81,973 | 81,682 | 81,667 | 81,394 |
| Agriculture..... | 3,658 | 4,031 | 3,444 | 3,575 | 3,625 | 3,445 | 3,337 | 3,353 |
| Nonagricultural industries..... | 78,376 | 79,475 | 75,851 | 78,647 | 78,348 | 78,237 | 78,330 | 78,041 |
| On part time for economic reasons..... | 2,243 | 3,117 | 2,220 | 2,340 | 2,488 | 2,509 | 2,521 | 2,421 |
| Usually work full time..... | 1,107 | 1,190 | 1,126 | 1,058 | 1,082 | 1,085 | 1,022 | 1,102 |
| Usually work part time..... | 1,136 | 1,927 | 1,094 | 1,282 | 1,406 | 1,424 | 1,499 | 1,319 |
| Unemployed..... | 4,658 | 4,857 | 4,840 | 4,827 | 4,887 | 4,785 | 4,728 | 5,092 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 49,083 | 49,388 | 48,065 | 49,083 | 48,954 | 48,961 | 48,882 | 48,700 |
| Employed..... | 47,480 | 47,649 | 46,236 | 47,204 | 47,063 | 47,032 | 46,919 | 46,628 |
| Agriculture..... | 2,682 | 2,647 | 2,484 | 2,629 | 2,550 | 2,474 | 2,437 | 2,404 |
| Nonagricultural industries..... | 44,798 | 45,003 | 43,752 | 44,575 | 44,513 | 44,558 | 44,482 | 44,224 |
| Unemployed..... | 1,603 | 1,738 | 1,829 | 1,879 | 1,891 | 1,929 | 1,963 | 2,072 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 30,028 | 29,288 | 29,077 | 29,915 | 29,990 | 29,789 | 29,657 | 29,625 |
| Employed..... | 28,231 | 27,516 | 27,256 | 28,296 | 28,334 | 28,078 | 28,029 | 27,883 |
| Agriculture..... | 606 | 673 | 592 | 561 | 604 | 556 | 496 | 551 |
| Nonagricultural industries..... | 27,624 | 26,843 | 26,664 | 27,735 | 27,730 | 27,522 | 27,533 | 27,332 |
| Unemployed..... | 1,797 | 1,772 | 1,821 | 1,619 | 1,656 | 1,711 | 1,628 | 1,742 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 7,582 | 9,687 | 6,993 | 8,051 | 7,916 | 7,717 | 7,856 | 8,161 |
| Employed..... | 6,324 | 8,340 | 5,803 | 6,722 | 6,576 | 6,572 | 6,719 | 6,883 |
| Agriculture..... | 370 | 711 | 368 | 385 | 471 | 415 | 404 | 398 |
| Nonagricultural industries..... | 5,953 | 7,629 | 5,435 | 6,337 | 6,105 | 6,157 | 6,315 | 6,485 |
| Unemployed..... | 1,258 | 1,347 | 1,190 | 1,329 | 1,340 | 1,145 | 1,137 | 1,278 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE BY SEX AND AGE

[Numbers in thousands]

| Full- and part-time employment status, sex, and age | Sep- tember 1972 | Sep- tember 1971 | Seasonally adjusted | | | | | Sep- tember 1971 |
|---|------------------------|------------------------|------------------------|----------------|--------------|--------------|-------------|------------------------|
| | | | Sep- tember 1972 | August 1972 | July 1972 | June 1972 | May 1972 | |
| FULL TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 74,168 | 72,291 | 74,195 | 74,201 | 74,218 | 74,333 | 74,032 | 72,341 |
| Employed..... | 70,828 | 68,642 | 70,482 | 70,423 | 70,437 | 70,643 | 69,918 | 68,284 |
| Unemployed..... | 3,340 | 3,650 | 3,713 | 3,778 | 3,781 | 3,690 | 4,114 | 4,057 |
| Unemployment rate..... | 4.5 | 5.0 | 5.0 | 5.1 | 5.1 | 5.0 | 5.6 | 5.6 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 46,689 | 45,778 | 46,573 | 46,539 | 46,588 | 46,504 | 46,330 | 45,717 |
| Employed..... | 45,263 | 44,123 | 44,859 | 44,801 | 44,821 | 44,745 | 44,441 | 43,729 |
| Unemployed..... | 1,426 | 1,654 | 1,714 | 1,738 | 1,767 | 1,759 | 1,889 | 1,988 |
| Unemployment rate..... | 3.1 | 3.6 | 3.7 | 3.7 | 3.8 | 3.8 | 4.1 | 4.3 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 23,546 | 23,010 | 23,322 | 23,433 | 23,477 | 23,483 | 22,292 | 22,784 |
| Employed..... | 22,221 | 21,583 | 22,067 | 22,119 | 22,093 | 22,180 | 21,828 | 21,433 |
| Unemployed..... | 1,325 | 1,427 | 1,255 | 1,314 | 1,384 | 1,303 | 1,464 | 1,351 |
| Unemployment rate..... | 5.6 | 6.2 | 5.4 | 5.6 | 5.9 | 5.5 | 6.3 | 5.9 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 12,525 | 11,843 | 12,983 | 12,759 | 12,208 | 11,867 | 12,406 | 12,293 |
| Employed..... | 11,207 | 10,653 | 11,866 | 11,630 | 11,211 | 10,825 | 11,403 | 11,280 |
| Unemployed..... | 1,318 | 1,190 | 1,177 | 1,129 | 997 | 1,042 | 1,003 | 1,013 |
| Unemployment rate..... | 10.5 | 10.0 | 8.6 | 8.8 | 8.2 | 8.8 | 8.1 | 8.2 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

(Persons 16 years and over)

| Selected categories | Thousands of persons unemployed | | Seasonally adjusted rates of unemployment | | | | | |
|--|-----------------------------------|----------------|---|-------------|-----------|-----------|----------|----------------|
| | September 1972 | September 1971 | September 1972 | August 1972 | July 1972 | June 1972 | May 1972 | September 1971 |
| | Total (all civilian workers)..... | 4,658 | 4,840 | 5.5 | 5.6 | 5.5 | 5.5 | 5.9 | 6.0 |
| Men, 20 years and over..... | 1,603 | 1,829 | 3.8 | 3.9 | 3.9 | 4.0 | 4.3 | 4.5 |
| Women, 20 years and over..... | 1,797 | 1,821 | 5.4 | 5.5 | 5.7 | 5.5 | 5.9 | 5.7 |
| Both sexes, 16-19 years..... | 1,258 | 1,190 | 16.5 | 16.9 | 14.8 | 14.5 | 15.7 | 16.9 |
| White..... | 3,723 | 3,912 | 5.0 | 5.1 | 5.0 | 5.0 | 5.3 | 5.4 |
| Negro and other races..... | 935 | 927 | 10.2 | 9.7 | 9.9 | 9.4 | 10.7 | 10.4 |
| Household heads..... | 1,461 | 1,637 | 3.3 | 3.3 | 3.3 | 3.6 | 3.6 | 3.8 |
| Married men..... | 884 | 1,027 | 2.8 | 2.6 | 2.7 | 2.9 | 2.9 | 3.3 |
| Full-time workers..... | 3,340 | 3,650 | 5.0 | 5.1 | 5.1 | 5.0 | 5.6 | 5.6 |
| Part-time workers..... | 1,318 | 1,190 | 8.6 | 8.8 | 8.2 | 8.8 | 8.1 | 8.2 |
| Unemployed 15 weeks and over ¹ | 937 | 1,030 | 1.3 | 1.4 | 1.3 | 1.3 | 1.4 | 1.5 |
| State insured ² | 1,369 | 1,733 | 3.4 | 3.4 | 3.8 | 3.6 | 3.7 | 4.3 |
| Labor force time lost ³ | | | 5.9 | 6.2 | 6.0 | 5.5 | 6.3 | 6.3 |
| Occupation ⁴ | | | | | | | | |
| White-collar workers..... | 1,491 | 1,484 | 3.3 | 3.5 | 3.4 | 3.1 | 3.6 | 3.4 |
| Professional and technical Managers and administrators, except farm..... | 307 | 371 | 2.2 | 2.4 | 2.5 | 1.9 | 2.4 | 2.7 |
| Sales workers..... | 140 | 145 | 1.7 | 1.8 | 1.9 | 1.4 | 1.5 | 1.6 |
| Clerical workers..... | 253 | 201 | 4.7 | 4.8 | 4.3 | 4.0 | 4.5 | 4.1 |
| Blue-collar workers..... | 791 | 767 | 4.7 | 4.9 | 4.6 | 4.8 | 5.3 | 4.8 |
| 1,612 | 1,964 | 6.1 | 6.5 | 6.4 | 6.4 | 6.8 | 7.7 | 7.7 |
| Craftsmen and kindred workers..... | 371 | 440 | 4.2 | 4.4 | 4.3 | 4.5 | 4.7 | 5.3 |
| Operatives..... | 841 | 1,074 | 6.4 | 6.7 | 7.1 | 6.8 | 7.1 | 8.3 |
| Nonfarm laborers..... | 401 | 449 | 9.6 | 10.9 | 9.3 | 9.5 | 10.9 | 11.2 |
| Service workers..... | 839 | 732 | 7.3 | 6.3 | 6.6 | 5.7 | 6.1 | 6.5 |
| Farm workers..... | 91 | 81 | 2.9 | 2.7 | 2.2 | 2.6 | 3.0 | 2.8 |
| Industry ⁴ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁵ | 3,334 | 3,605 | 5.6 | 5.8 | 5.8 | 5.5 | 6.0 | 6.2 |
| Construction..... | 292 | 288 | 9.2 | 11.6 | 10.9 | 9.5 | 12.5 | 9.7 |
| Manufacturing..... | 956 | 1,312 | 5.1 | 5.4 | 5.7 | 5.6 | 6.0 | 6.9 |
| Durable goods..... | 522 | 782 | 4.8 | 5.0 | 5.7 | 5.7 | 6.3 | 7.0 |
| Nondurable goods..... | 434 | 530 | 5.5 | 6.0 | 5.6 | 5.5 | 5.7 | 6.8 |
| Transportation and public utilities..... | 161 | 156 | 3.7 | 3.8 | 3.6 | 3.1 | 3.5 | 3.6 |
| Wholesale and retail trade..... | 989 | 889 | 6.7 | 6.6 | 6.5 | 6.5 | 6.3 | 6.3 |
| Finance and service industries..... | 925 | 935 | 4.7 | 4.7 | 4.6 | 4.2 | 5.0 | 5.1 |
| Government workers..... | 521 | 461 | 3.2 | 3.0 | 2.8 | 2.5 | 2.9 | 3.0 |
| Agricultural wage and salary workers..... | 118 | 104 | 8.9 | 6.5 | 6.0 | 7.5 | 8.8 | 8.5 |

¹ Unemployment rate calculated as a percent of civilian labor force.² Insured unemployment under State programs—unemployment rate calculated as a percent of average covered employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.³ Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.⁴ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.⁵ Includes mining, not shown separately.

TABLE A-4.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT

[In thousands]

| Duration of unemployment | September 1972 | September 1971 | Seasonally adjusted | | | | | September 1971 |
|--|----------------|----------------|---------------------|-------------|-----------|-----------|----------|----------------|
| | | | September 1972 | August 1972 | July 1972 | June 1972 | May 1972 | |
| Less than 5 weeks..... | 2,611 | 2,553 | 2,369 | 2,254 | 2,149 | 2,175 | 2,223 | 2,317 |
| 5 to 14 weeks..... | 1,111 | 1,257 | 1,385 | 1,505 | 1,478 | 1,437 | 1,514 | 1,567 |
| 15 weeks and over..... | 937 | 1,030 | 1,137 | 1,188 | 1,155 | 1,148 | 1,180 | 1,250 |
| 15 to 26 weeks..... | 348 | 516 | 587 | 644 | 658 | 594 | 587 | 683 |
| 27 weeks and over..... | 499 | 514 | 550 | 544 | 497 | 554 | 593 | 567 |
| Average (mean) duration, in weeks..... | 11.3 | 11.1 | 12.2 | 12.1 | 11.8 | 13.5 | 12.5 | 12.0 |

TABLE A-5.—UNEMPLOYED PERSONS BY REASON FOR UNEMPLOYMENT

[Numbers in thousands]

| Reason for unemployment | September 1972 | September 1971 | Seasonally adjusted | | | | | September 1971 |
|--|----------------|----------------|---------------------|-------------|-----------|-----------|----------|----------------|
| | | | September 1972 | August 1972 | July 1972 | June 1972 | May 1972 | |
| NUMBER OF UNEMPLOYED | | | | | | | | |
| Last last job..... | 1,718 | 1,919 | 2,121 | 2,244 | 2,093 | 2,210 | 2,199 | 2,369 |
| Left last job..... | 777 | 714 | 635 | 644 | 616 | 624 | 649 | 583 |
| Reentered labor force..... | 1,539 | 1,627 | 1,452 | 1,427 | 1,455 | 1,238 | 1,460 | 1,536 |
| Never worked before..... | 624 | 580 | 649 | 640 | 564 | 621 | 802 | 603 |
| PERCENT DISTRIBUTION | | | | | | | | |
| Total unemployed..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Last last job..... | 36.9 | 39.6 | 43.7 | 45.3 | 44.3 | 47.1 | 43.0 | 46.5 |
| Left last job..... | 16.7 | 14.8 | 13.2 | 13.0 | 13.0 | 13.3 | 12.7 | 11.5 |
| Reentered labor force..... | 33.0 | 33.6 | 29.9 | 28.8 | 30.8 | 26.4 | 28.6 | 30.2 |
| Never worked before..... | 13.4 | 12.0 | 13.4 | 12.9 | 11.9 | 13.2 | 15.7 | 11.8 |
| UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE | | | | | | | | |
| Last last job..... | 2.0 | 2.3 | 2.4 | 2.7 | 2.4 | 2.6 | 2.5 | 2.8 |
| Left last job..... | .9 | .8 | .7 | .7 | .7 | .8 | .8 | .7 |
| Reentered labor force..... | 1.8 | 1.9 | 1.7 | 1.6 | 1.7 | 1.4 | 1.7 | 1.8 |
| Never worked before..... | .7 | .7 | .7 | .7 | .7 | .7 | .9 | .7 |

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work | Seasonally adjusted unemployment rates | | | | | September 1971 |
|---------------------------------|-------------------------------|----------------|------------------------------------|--|-------------|-----------|-----------|----------|----------------|
| | September 1972 | September 1971 | | September 1972 | August 1972 | July 1972 | June 1972 | May 1972 | |
| | Total, 16 years and over..... | 4,658 | | 4,840 | 71.7 | 5.5 | 5.6 | 5.5 |  | 5.5 | 5.9 | 6.0 |
| 16 to 19 years..... | 1,258 | 1,190 | 46.8 | 16.5 | 16.9 | 14.8 | 14.5 | 15.7 | 16.9 |
| 16 and 17 years..... | 620 | 530 | 23.4 | 19.9 | 20.5 | 16.5 | 16.5 | 16.6 | 18.4 |
| 18 and 19 years..... | 639 | 660 | 69.5 | 14.1 | 14.0 | 13.5 | 12.9 | 15.8 | 15.8 |
| 20 to 24 years..... | 1,109 | 1,101 | 81.0 | 9.1 | 9.0 | 9.8 | 8.7 | 9.9 | 9.6 |
| 25 years and over..... | 2,291 | 2,549 | 80.8 | 3.5 | 3.6 | 3.7 | 3.9 | 3.9 | 4.0 |
| 25 to 54 years..... | 1,880 | 2,127 | 82.1 | 3.7 | 3.7 | 3.8 | 4.0 | 4.0 | 4.3 |
| 55 years and over..... | 411 | 421 | 74.9 | 3.1 | 3.7 | 3.4 | 3.6 | 3.6 | 3.2 |
| Males, 16 years and over..... | 2,239 | 2,424 | 76.1 | 4.9 | 4.9 | 4.7 | 4.8 | 5.3 | 5.4 |
| 16 to 19 years..... | 636 | 595 | 43.6 | 15.9 | 16.5 | 13.6 | 13.8 | 16.6 | 16.3 |
| 16 and 17 years..... | 354 | 296 | 13.2 | 20.8 | 20.0 | 14.6 | 15.4 | 18.0 | 18.6 |
| 18 and 19 years..... | 282 | 299 | 69.1 | 12.3 | 13.2 | 12.8 | 12.4 | 16.2 | 14.6 |
| 20 to 24 years..... | 538 | 590 | 82.5 | 8.6 | 8.5 | 9.6 | 8.3 | 9.4 | 10.2 |
| 25 years and over..... | 1,065 | 1,239 | 92.2 | 3.0 | 3.1 | 3.0 | 3.3 | 3.4 | 3.5 |
| 25 to 54 years..... | 815 | 1,005 | 95.1 | 3.0 | 3.0 | 3.0 | 3.3 | 3.4 | 3.7 |
| 55 years and over..... | 250 | 233 | 82.8 | 3.3 | 3.4 | 3.1 | 3.5 | 3.5 | 3.0 |
| Females, 16 years and over..... | 2,420 | 2,416 | 67.6 | 6.7 | 6.8 | 6.9 | 6.5 | 6.8 | 6.9 |
| 16 to 19 years..... | 623 | 595 | 50.1 | 17.3 | 17.5 | 16.4 | 15.4 | 14.6 | 17.6 |
| 16 and 17 years..... | 265 | 235 | 23.8 | 18.6 | 21.3 | 18.9 | 18.1 | 14.8 | 18.0 |
| 18 and 19 years..... | 357 | 360 | 69.7 | 16.3 | 14.9 | 14.4 | 13.5 | 15.3 | 18.3 |
| 20 to 24 years..... | 571 | 512 | 79.5 | 9.6 | 9.5 | 10.1 | 9.2 | 10.6 | 8.9 |
| 25 years and over..... | 1,226 | 1,310 | 71.0 | 4.5 | 5.6 | 4.8 | 4.8 | 4.8 | 4.9 |
| 25 to 54 years..... | 1,065 | 1,122 | 72.3 | 4.9 | 4.8 | 5.1 | 5.1 | 5.0 | 5.3 |
| 55 years and over..... | 161 | 188 | 62.7 | 2.9 | 4.3 | 4.0 | 3.8 | 3.8 | 3.4 |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

(Numbers in thousands)

| Employment status | September 1972 | August 1972 | September 1971 | Seasonally adjusted | | | | | September 1971 |
|---|-------------------|----------------|-------------------|---------------------|----------------|--------------|--------------|-------------|-------------------|
| | | | | September 1972 | August 1972 | July 1972 | June 1972 | May 1972 | |
| VETERANS¹ | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² | 4,596 | 4,574 | 4,206 | 4,596 | 4,574 | 4,551 | 4,529 | 4,519 | 4,206 |
| Civilian labor force..... | 4,283 | 4,293 | 3,863 | 4,288 | 4,233 | 4,206 | 4,183 | 4,196 | 3,887 |
| Employed..... | 4,043 | 3,993 | 3,541 | 4,003 | 3,905 | 3,898 | 3,881 | 3,858 | 3,508 |
| Unemployed..... | 240 | 300 | 322 | 285 | 328 | 308 | 302 | 338 | 379 |
| Unemployment rate..... | 5.6 | 7.0 | 8.3 | 6.6 | 7.7 | 7.3 | 7.2 | 8.1 | 9.8 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 1,897 | 1,913 | 1,989 | 1,897 | 1,913 | 1,928 | 1,943 | 1,970 | 1,989 |
| Civilian labor force..... | 1,713 | 1,755 | 1,788 | 1,720 | 1,739 | 1,745 | 1,775 | 1,792 | 1,801 |
| Employed..... | 1,574 | 1,573 | 1,588 | 1,566 | 1,521 | 1,559 | 1,600 | 1,608 | 1,580 |
| Unemployed..... | 139 | 182 | 200 | 154 | 218 | 186 | 175 | 184 | 221 |
| Unemployment rate..... | 8.1 | 10.4 | 11.2 | 9.0 | 12.5 | 10.7 | 9.9 | 10.3 | 12.3 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 2,699 | 2,661 | 2,217 | 2,699 | 2,661 | 2,623 | 2,586 | 2,549 | 2,217 |
| Civilian labor force..... | 2,570 | 2,538 | 2,075 | 2,568 | 2,494 | 2,461 | 2,408 | 2,404 | 2,086 |
| Employed..... | 2,469 | 2,420 | 1,953 | 2,437 | 2,384 | 2,339 | 2,281 | 2,250 | 1,928 |
| Unemployed..... | 101 | 118 | 122 | 131 | 110 | 122 | 127 | 154 | 158 |
| Unemployment rate..... | 3.9 | 4.6 | 5.9 | 5.1 | 4.4 | 5.0 | 5.3 | 6.4 | 7.6 |
| NONVETERANS | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² | 10,155 | 10,121 | 9,476 | 10,155 | 10,121 | 10,085 | 10,036 | 9,914 | 9,476 |
| Civilian labor force..... | 8,841 | 9,186 | 8,163 | 8,800 | 8,729 | 8,715 | 8,677 | 8,555 | 8,128 |
| Employed..... | 8,305 | 8,688 | 7,621 | 8,262 | 8,187 | 8,149 | 8,110 | 7,949 | 7,583 |
| Unemployed..... | 536 | 498 | 542 | 538 | 542 | 566 | 567 | 606 | 545 |
| Unemployment rate..... | 6.1 | 5.4 | 6.6 | 6.1 | 6.2 | 6.5 | 6.5 | 7.1 | 6.7 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 6,140 | 6,131 | 5,580 | 6,140 | 6,113 | 6,086 | 6,065 | 5,958 | 5,580 |
| Civilian labor force..... | 5,041 | 5,366 | 4,458 | 4,006 | 5,923 | 4,909 | 4,904 | 4,808 | 4,427 |
| Employed..... | 4,642 | 5,003 | 4,069 | 4,614 | 4,524 | 4,485 | 4,512 | 4,369 | 4,045 |
| Unemployed..... | 399 | 363 | 389 | 392 | 399 | 424 | 392 | 439 | 382 |
| Unemployment rate..... | 7.9 | 6.8 | 8.7 | 7.8 | 8.1 | 8.6 | 8.0 | 9.1 | 8.6 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 4,015 | 4,008 | 3,896 | 4,015 | 4,008 | 3,999 | 3,971 | 3,956 | 3,896 |
| Civilian labor force..... | 3,800 | 3,820 | 3,705 | 3,794 | 3,806 | 3,806 | 3,773 | 3,747 | 3,701 |
| Employed..... | 3,663 | 3,685 | 3,552 | 3,648 | 3,663 | 3,664 | 3,598 | 3,580 | 3,538 |
| Unemployed..... | 137 | 135 | 153 | 146 | 143 | 142 | 175 | 167 | 163 |
| Unemployment rate..... | 3.6 | 3.5 | 4.1 | 3.8 | 3.8 | 3.7 | 4.6 | 4.5 | 4.4 |

¹ Vietnam era veterans are those who served after Aug. 4, 1964; they are all classified as war veterans. 79 percent of the Vietnam era veterans of all ages are 20 to 29 years old. Post-Korean-peace-time veterans 20 to 29 years old are not included in this table.

² Since seasonal variations are not present in the population figures, identical numbers appear in the unadjusted and seasonally adjusted columns.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

[In thousands]

| Industry | September 1972 ¹ | August 1972 ¹ | July 1972 | September 1971 | Change from— | | Seasonally adjusted | | | Change from August 1972 |
|---|-----------------------------|--------------------------|-----------|----------------|--------------|----------------|-----------------------------|--------------------------|-----------|-------------------------|
| | | | | | August 1972 | September 1971 | September 1972 ¹ | August 1972 ¹ | July 1972 | |
| Total | 73,572.0 | 72,983.0 | 72,469.0 | 71,162.0 | 589.0 | 2,410.0 | 73,221 | 72,980 | 72,661 | 241 |
| Goods-producing | 23,680.0 | 23,609.0 | 23,057.0 | 23,045.0 | 71.0 | 635.0 | 23,163 | 23,072 | 22,949 | 91 |
| Mining | 613.0 | 617.0 | 614.0 | 625.0 | -4.0 | -12.0 | 606 | 603 | 599 | 3 |
| Contract construction | 3,772.0 | 3,831.0 | 3,740.0 | 3,663.0 | -59.0 | 109.0 | 3,538 | 3,537 | 3,489 | 1 |
| Manufacturing | 19,295.0 | 19,161.0 | 18,703.0 | 18,757.0 | 134.0 | 538.0 | 19,019 | 18,932 | 18,861 | 87 |
| Production workers | 14,177.0 | 14,039.0 | 13,590.0 | 13,686.0 | 138.0 | 491.0 | 13,913 | 13,849 | 13,785 | 64 |
| Durable goods | 11,083 | 10,945.0 | 10,713.0 | 10,629.0 | 138.0 | 454.0 | 10,969 | 10,899 | 10,843 | 70 |
| Production workers | 8,111.0 | 7,972.0 | 7,739.0 | 7,679.0 | 139.0 | 432.0 | 8,002 | 7,946 | 7,889 | 56 |
| Ordnance and accessories | 194.3 | 191.5 | 189.7 | 189.1 | 2.8 | 5.2 | 193 | 191 | 190 | 2 |
| Lumber and wood products | 625.1 | 635.5 | 629.3 | 602.9 | -10.4 | 22.2 | 613 | 616 | 613 | -3 |
| Furniture and fixtures | 498.3 | 499.2 | 485.1 | 467.8 | -9 | 30.5 | 495 | 496 | 494 | -1 |
| Stone, clay, and glass products | 677.2 | 679.8 | 672.9 | 650.0 | -2.6 | 27.2 | 664 | 663 | 660 | 1 |
| Primary metal industries | 1,258.0 | 1,242.6 | 1,232.3 | 1,179.6 | 15.4 | 78.4 | 1,271 | 1,235 | 1,214 | 36 |
| Fabricated metal products | 1,393.1 | 1,375.6 | 1,354.7 | 1,348.9 | 17.5 | 44.2 | 1,382 | 1,376 | 1,370 | 6 |
| Machinery, except electrical | 1,871.7 | 1,858.7 | 1,855.3 | 1,803.3 | 13.0 | 68.4 | 1,874 | 1,870 | 1,855 | 4 |
| Electrical equipment | 1,869.2 | 1,838.4 | 1,813.0 | 1,783.1 | 30.8 | 86.1 | 1,851 | 1,835 | 1,826 | 16 |
| Transportation equipment | 1,789.3 | 1,725.2 | 1,610.5 | 1,737.9 | 64.1 | 51.4 | 1,737 | 1,733 | 1,743 | 4 |
| Instruments and related products | 464.0 | 460.6 | 455.9 | 439.6 | 3.4 | 24.4 | 463 | 458 | 456 | 5 |
| Miscellaneous manufacturing | 442.9 | 437.4 | 414.2 | 426.9 | 5.5 | 16.0 | 426 | 426 | 422 | 0 |
| Nondurable goods | 8,212.0 | 8,216.0 | 7,990.0 | 8,128.0 | -4.0 | 84.0 | 8,050 | 8,033 | 8,018 | 17 |
| Production workers | 6,066.0 | 6,067.0 | 5,851.0 | 6,007.0 | -1.0 | 59.0 | 5,911 | 5,903 | 5,896 | 8 |
| Food and kindred products | 1,865.8 | 1,871.2 | 1,794.0 | 1,887.0 | -5.4 | -21.2 | 1,742 | 1,739 | 1,757 | 3 |
| Tobacco manufactures | 78.4 | 78.9 | 67.0 | 88.5 | -5 | -10.1 | 66 | 71 | 75 | -5 |
| Textile mill products | 995.8 | 997.5 | 975.6 | 959.4 | -1.7 | 36.4 | 993 | 993 | 986 | 0 |
| Apparel and other textile products | 1,345.2 | 1,341.0 | 1,263.5 | 1,345.6 | 4.2 | -4 | 1,332 | 1,330 | 1,311 | 2 |
| Paper and allied products | 705.6 | 706.3 | 699.0 | 692.7 | -7 | 12.9 | 703 | 699 | 698 | 4 |
| Printing and publishing | 1,078.0 | 1,076.6 | 1,074.1 | 1,064.8 | 1.4 | 13.2 | 1,080 | 1,078 | 1,076 | 2 |
| Chemicals and allied products | 1,006.0 | 1,007.9 | 1,003.9 | 1,003.0 | -1.9 | 3.0 | 1,005 | 998 | 995 | 7 |
| Petroleum and coal products | 191.1 | 193.7 | 193.8 | 192.7 | -2.6 | -1.6 | 189 | 189 | 188 | 0 |
| Rubber and plastics products (not elsewhere classified) | 643.4 | 632.3 | 620.3 | 594.7 | 10.1 | 47.7 | 636 | 630 | 627 | 6 |
| Leather and leather products | 303.6 | 311.0 | 298.6 | 300.0 | -7.4 | 3.6 | 304 | 306 | 305 | -2 |
| Service-producing | 49,892.0 | 49,374.0 | 49,412.0 | 48,117.0 | 518.0 | 1,775.0 | 50,058 | 49,908 | 49,712 | 150 |
| Transportation and public utilities | 4,539.0 | 4,536.0 | 4,531.0 | 4,469.0 | 3.0 | 70.0 | 4,490 | 4,487 | 4,473 | 3 |
| Wholesale and retail trade | 15,755.0 | 15,676.0 | 15,653.0 | 15,213.0 | 79.0 | 542.0 | 15,774 | 15,743 | 15,692 | 31 |
| Wholesale trade | 3,970.0 | 3,973.0 | 3,956.0 | 3,832.0 | -3.0 | 138.0 | 3,954 | 3,934 | 3,913 | 20 |
| Retail trade | 11,785.0 | 11,703.0 | 11,697.0 | 11,381.0 | 82.0 | 404.0 | 11,820 | 11,809 | 11,779 | 11 |
| Finance, insurance, and real estate | 3,955.0 | 3,995.0 | 3,990.0 | 3,825.0 | -40.0 | 130.0 | 3,951 | 3,936 | 3,927 | 15 |
| Services | 12,450.0 | 12,486.0 | 12,489.0 | 11,930.0 | -36.0 | 520.0 | 12,438 | 12,424 | 12,341 | 14 |
| Government | 13,193.0 | 12,681.0 | 12,749.0 | 12,680.0 | 512.0 | 513.0 | 13,405 | 13,318 | 13,279 | 87 |
| Federal | 2,639.0 | 2,644.0 | 2,645.0 | 2,666.0 | -5.0 | -27.0 | 2,636 | 2,618 | 2,621 | 18 |
| State and local | 10,554.0 | 10,037.0 | 10,104.0 | 10,014.0 | 517.0 | 540.0 | 10,769 | 10,700 | 10,658 | 69 |

¹ Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | September 1972 ² | August 1972 ² | July 1972 | September 1971 | Change from | | Seasonally adjusted | | | |
|--|-----------------------------|--------------------------|-----------|----------------|-------------|----------------|-----------------------------|--------------------------|-----------|-------------------------|
| | | | | | August 1972 | September 1971 | September 1972 ² | August 1972 ² | July 1972 | Change from August 1972 |
| Total, private..... | 37.4 | 37.6 | 37.6 | 37.0 | -0.2 | 0.4 | 37.3 | 37.1 | 37.2 | 0.2 |
| Mining..... | 43.4 | 42.7 | 42.4 | 42.1 | .7 | 1.3 | 43.4 | 42.5 | 42.1 | .9 |
| Contract construction..... | 38.3 | 38.2 | 37.9 | 36.9 | .1 | 1.4 | 37.1 | 37.1 | 37.0 | 0 |
| Manufacturing..... | 40.9 | 40.6 | 40.4 | 39.8 | .3 | 1.1 | 40.7 | 40.6 | 40.6 | .1 |
| Overtime hours..... | 3.8 | 3.5 | 3.3 | 3.1 | .3 | .7 | 3.5 | 3.4 | 3.4 | .1 |
| Durable goods..... | 41.5 | 41.1 | 40.9 | 40.0 | .4 | 1.5 | 41.2 | 41.3 | 41.2 | -.1 |
| Overtime hours..... | 4.0 | 3.6 | 3.4 | 3.0 | .4 | 1.0 | 3.7 | 3.6 | 3.5 | -.1 |
| Ordinance and accessories..... | 42.4 | 42.7 | 41.8 | 41.9 | -.3 | .5 | 42.3 | 42.8 | 42.4 | -.5 |
| Lumber and wood products..... | 41.2 | 41.4 | 41.0 | 40.5 | -.2 | .7 | 41.0 | 41.2 | 41.1 | -.2 |
| Furniture and fixtures..... | 41.1 | 41.0 | 40.0 | 40.0 | .1 | 1.1 | 40.6 | 40.5 | 40.4 | .1 |
| Stone, clay, and glass products..... | 42.1 | 42.2 | 42.1 | 41.9 | -.1 | .2 | 41.6 | 41.7 | 41.9 | -.1 |
| Primary metal industries..... | 41.8 | 41.6 | 41.4 | 39.5 | .2 | 2.3 | 41.6 | 41.6 | 41.4 | .2 |
| Fabricated metal products..... | 41.5 | 41.4 | 41.0 | 40.0 | .1 | 1.5 | 41.0 | 41.3 | 41.3 | -.3 |
| Machinery except electrical..... | 42.5 | 41.9 | 41.6 | 40.6 | .6 | 1.9 | 42.5 | 42.4 | 42.0 | .1 |
| Electrical equipment..... | 40.8 | 40.4 | 39.9 | 39.9 | .4 | 1.9 | 40.6 | 40.4 | 40.3 | .2 |
| Transportation equipment..... | 41.7 | 40.4 | 41.2 | 39.1 | 1.3 | 2.6 | 41.2 | 41.2 | 41.3 | 0 |
| Instruments and related products..... | 40.8 | 40.4 | 40.1 | 40.0 | .4 | .8 | 40.6 | 40.6 | 40.4 | 0 |
| Miscellaneous manufacturing..... | 39.6 | 39.6 | 38.8 | 39.0 | 0 | .6 | 39.6 | 39.5 | 39.3 | .1 |
| Nondurable goods..... | 40.0 | 40.0 | 39.7 | 39.5 | 0 | .5 | 39.7 | 39.8 | 39.6 | .1 |
| Overtime hours..... | 3.6 | 3.4 | 3.3 | 3.4 | .2 | .2 | 3.2 | 3.2 | 3.3 | 0 |
| Food and kindred products..... | 40.9 | 40.9 | 40.8 | 40.8 | 0 | .1 | 40.1 | 40.3 | 40.4 | -.2 |
| Tobacco manufactures..... | 35.5 | 35.8 | 34.1 | 37.9 | -.3 | -2.4 | 34.2 | 35.4 | 34.3 | 1.2 |
| Textile mill products..... | 41.4 | 41.4 | 40.9 | 40.6 | 0 | .8 | 41.3 | 41.3 | 41.2 | 0 |
| Apparel and other textile products..... | 36.0 | 36.4 | 36.0 | 35.6 | -.4 | .4 | 36.1 | 36.1 | 36.0 | 0 |
| Paper and allied products..... | 43.3 | 43.1 | 42.8 | 42.2 | .2 | 1.1 | 43.0 | 42.9 | 42.8 | .1 |
| Printing and publishing..... | 38.5 | 38.2 | 38.0 | 37.7 | .3 | .8 | 38.2 | 38.0 | 38.0 | .2 |
| Chemicals and allied products..... | 41.9 | 41.4 | 41.6 | 42.1 | .5 | -.2 | 41.8 | 41.6 | 41.8 | -.2 |
| Petroleum and coal products..... | 42.7 | 42.1 | 42.3 | 42.9 | .6 | -.2 | 42.2 | 41.9 | 41.6 | .3 |
| Rubber and plastics products, nec..... | 41.5 | 41.4 | 40.7 | 40.4 | .1 | 1.1 | 41.1 | 41.4 | 40.9 | -.3 |
| Leather and leather products..... | 38.1 | 38.8 | 38.9 | 36.9 | -.7 | 1.2 | 38.7 | 38.9 | 38.4 | -.2 |
| Transportation and public utilities..... | 40.6 | 40.7 | 40.7 | 40.8 | -.1 | -.2 | 40.4 | 40.6 | 40.3 | -.2 |
| Wholesale and retail trade..... | 35.1 | 36.0 | 36.0 | 35.2 | -.9 | -.1 | 35.0 | 35.1 | 35.1 | -.1 |
| Wholesale trade..... | 39.8 | 39.9 | 40.1 | 39.7 | -.1 | .1 | 39.8 | 39.7 | 39.8 | .1 |
| Retail trade..... | 33.6 | 34.8 | 34.7 | 33.7 | -1.2 | -.1 | 33.5 | 33.7 | 33.7 | -.2 |
| Finance, insurance, and real estate..... | 37.0 | 37.2 | 37.4 | 36.9 | -.2 | .1 | 37.1 | 37.1 | 37.3 | 0 |
| Services..... | 34.3 | 34.5 | 34.8 | 34.1 | -.2 | .2 | 34.4 | 34.0 | 34.3 | .4 |

¹ Data relate to production workers in mining and manufacturing, to construction workers in contract construction, and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately 4/5 of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|--|-----------------------------|--------------------------|-----------|----------------|--------------|----------------|-----------------------------|--------------------------|-----------|----------------|--------------|----------------|
| | September 1972 ² | August 1972 ² | July 1972 | September 1971 | Change from— | | September 1972 ² | August 1972 ² | July 1972 | September 1971 | Change from— | |
| | | | | | August 1972 | September 1971 | | | | | August 1972 | September 1971 |
| Total private..... | \$3.71 | \$3.65 | \$3.64 | \$3.50 | \$0.06 | \$0.21 | \$138.75 | \$137.24 | \$136.86 | \$129.50 | \$1.51 | \$9.25 |
| Seasonally adjusted..... | 3.68 | 3.66 | 3.64 | 3.48 | .02 | .20 | 137.26 | 135.79 | 135.41 | 128.41 | 1.47 | 8.85 |
| Mining..... | 4.44 | 4.37 | 4.35 | 4.16 | .07 | .28 | 192.70 | 186.60 | 184.44 | 175.14 | 6.10 | 17.56 |
| Contract construction..... | 6.14 | 6.02 | 5.96 | 5.83 | .12 | .31 | 235.16 | 229.96 | 225.88 | 215.13 | 5.20 | 20.03 |
| Manufacturing..... | 3.85 | 3.80 | 3.78 | 3.60 | .05 | .25 | 157.47 | 154.28 | 152.71 | 143.28 | 3.19 | 14.19 |
| Durable goods..... | 4.10 | 4.04 | 4.01 | 3.82 | .06 | .28 | 170.15 | 166.04 | 164.01 | 152.80 | 4.11 | 17.35 |
| Ordnance and accessories..... | 4.15 | 4.11 | 4.10 | 3.89 | .04 | .26 | 175.96 | 175.50 | 171.38 | 162.99 | .46 | 12.97 |
| Lumber and wood products..... | 3.36 | 3.34 | 3.34 | 3.22 | .02 | .14 | 138.43 | 138.28 | 136.94 | 130.41 | .15 | 8.02 |
| Furniture and fixtures..... | 3.12 | 3.07 | 3.04 | 2.95 | .05 | .17 | 128.23 | 125.87 | 121.60 | 118.00 | 2.36 | 10.23 |
| Stone, clay, and glass products..... | 3.99 | 3.96 | 3.93 | 3.75 | .03 | .24 | 167.98 | 167.11 | 165.45 | 157.13 | .87 | 10.85 |
| Primary metal industries..... | 4.74 | 4.69 | 4.64 | 4.34 | .05 | .40 | 198.13 | 195.10 | 192.10 | 171.43 | 3.03 | 26.70 |
| Fabricated metal products..... | 4.05 | 4.00 | 3.97 | 3.77 | .05 | .28 | 168.08 | 165.60 | 162.77 | 150.80 | 2.48 | 17.28 |
| Machinery, except electrical..... | 4.34 | 4.26 | 4.24 | 4.04 | .08 | .30 | 184.45 | 178.49 | 176.38 | 164.02 | 5.96 | 20.43 |
| Electrical equipment..... | 3.72 | 3.68 | 3.66 | 3.51 | .04 | .21 | 151.78 | 148.67 | 146.03 | 140.05 | 3.11 | 11.73 |
| Transportation equipment..... | 4.77 | 4.69 | 4.63 | 4.39 | .08 | .38 | 198.91 | 189.48 | 190.76 | 171.65 | 9.43 | 27.26 |
| Instruments and related products..... | 3.74 | 3.72 | 3.70 | 3.56 | .02 | .18 | 152.59 | 150.29 | 148.37 | 142.40 | 2.30 | 10.19 |
| Miscellaneous manufacturing..... | 3.12 | 3.09 | 3.09 | 2.98 | .03 | .14 | 123.55 | 122.36 | 119.89 | 116.22 | 1.19 | 7.33 |
| Nondurable goods..... | 3.51 | 3.47 | 3.48 | 3.31 | .04 | .20 | 140.40 | 138.80 | 138.16 | 130.75 | 1.60 | 9.65 |
| Food and kindred products..... | 3.59 | 3.56 | 3.59 | 3.38 | .03 | .21 | 146.83 | 145.60 | 146.37 | 137.90 | 1.23 | 8.93 |
| Tobacco manufactures..... | 3.33 | 3.36 | 3.57 | 3.01 | -.30 | .32 | 118.22 | 120.29 | 121.74 | 114.08 | -2.07 | 9.10 |
| Textile mill products..... | 2.75 | 2.73 | 2.71 | 2.58 | .02 | .17 | 113.85 | 113.02 | 110.84 | 104.76 | .83 | 4.14 |
| Apparel and other textile products..... | 2.64 | 2.62 | 2.58 | 2.52 | .02 | .12 | 95.04 | 95.37 | 92.88 | 89.71 | -.33 | 5.33 |
| Paper and allied products..... | 3.99 | 3.98 | 3.97 | 3.76 | .01 | .23 | 172.77 | 171.54 | 169.92 | 158.67 | 1.23 | 14.10 |
| Printing and publishing..... | 4.57 | 4.49 | 4.49 | 4.29 | .08 | .28 | 175.95 | 171.52 | 170.62 | 161.73 | 4.43 | 14.22 |
| Chemicals and allied products..... | 4.26 | 4.22 | 4.23 | 4.03 | .04 | .23 | 178.49 | 174.71 | 175.97 | 169.66 | 3.78 | 8.83 |
| Petroleum and coal products..... | 5.02 | 4.95 | 4.97 | 4.66 | .07 | .36 | 214.35 | 208.40 | 210.23 | 199.91 | 5.95 | 14.44 |
| Rubber and plastics products, nec..... | 3.65 | 3.63 | 3.61 | 3.46 | .02 | .19 | 151.48 | 150.28 | 146.93 | 139.78 | 1.20 | 11.70 |
| Leather and leather products..... | 2.72 | 2.71 | 2.70 | 2.62 | .01 | .10 | 103.63 | 105.15 | 105.03 | 96.68 | -1.52 | 6.95 |
| Transportation and public utilities..... | 4.71 | 4.68 | 4.66 | 4.33 | .03 | .38 | 191.23 | 190.48 | 189.66 | 176.66 | .75 | 14.57 |
| Wholesale and retail trade..... | 3.04 | 3.00 | 3.01 | 2.92 | .04 | .14 | 106.70 | 108.00 | 108.36 | 102.06 | -1.30 | 4.62 |
| Wholesale trade..... | 3.90 | 3.86 | 3.87 | 3.72 | .04 | .18 | 155.22 | 154.01 | 155.19 | 147.68 | 1.21 | 7.54 |
| Retail trade..... | 2.72 | 2.69 | 2.70 | 2.60 | .03 | .12 | 91.59 | 93.61 | 93.69 | 87.62 | -2.22 | 3.77 |
| Finance, insurance, and real estate..... | 3.45 | 3.44 | 3.45 | 3.30 | .01 | .15 | 127.65 | 127.97 | 129.03 | 121.77 | -.32 | 5.88 |
| Services..... | 3.20 | 3.15 | 3.14 | 3.06 | .05 | .14 | 109.76 | 108.68 | 109.27 | 104.35 | 10.8 | 5.41 |

¹ See footnote 1, table B-2.

² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED

[1967 equals 100]

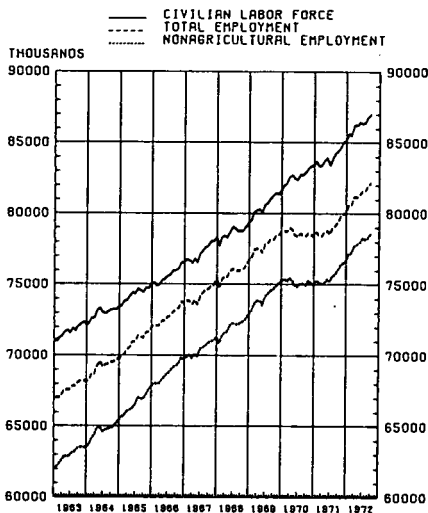
| Industry | Sep- tember 1972 ¹ | August 1972 ¹ | July 1972 | June 1972 | May 1972 | April 1972 | Sep- tember 1971 | Percent change over month and year | |
|---|-------------------------------------|-----------------------------|--------------|--------------|-------------|---------------|------------------------|--|---|
| | | | | | | | | August 1972- Septem- ber 1972 | Septem- ber 1971- Septem- ber 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 138.8 | 138.3 | 137.8 | 137.1 | 136.7 | 136.7 | 131.4 | 0.4 | 5.7 |
| Constant (1967) dollars..... | (²) | 110.1 | 110.0 | 109.8 | 109.6 | 110.0 | 107.5 | (³) | (⁴) |
| Mining..... | 138.9 | 137.9 | 137.3 | 136.3 | 135.2 | 135.7 | 129.8 | .8 | 7.1 |
| Contract construction..... | 147.4 | 146.6 | 145.6 | 145.6 | 145.4 | 145.3 | 140.0 | .6 | 5.3 |
| Manufacturing..... | 136.6 | 135.9 | 135.3 | 135.0 | 134.5 | 133.9 | 128.9 | .5 | 5.9 |
| Transportation and public utilities..... | 144.5 | 144.4 | 144.0 | 141.7 | 141.8 | 141.7 | 132.5 | .1 | 9.0 |
| Wholesale and retail trade..... | 135.9 | 135.4 | 135.3 | 134.4 | 133.6 | 134.0 | 129.6 | .4 | 4.9 |
| Finance, insurance, and real estate..... | 134.3 | 133.5 | 133.9 | 133.0 | 132.5 | 133.4 | 128.1 | .7 | 4.9 |
| Services..... | 138.6 | 138.3 | 138.0 | 137.4 | 137.5 | 137.9 | 132.9 | .2 | 4.3 |

¹ Preliminary.² Indicates data are not available.³ Percent change was 0.1 from July 1972 to August 1972, the latest month available.⁴ Percent change was 2.7 from August 1971 to August 1972, the latest month available.

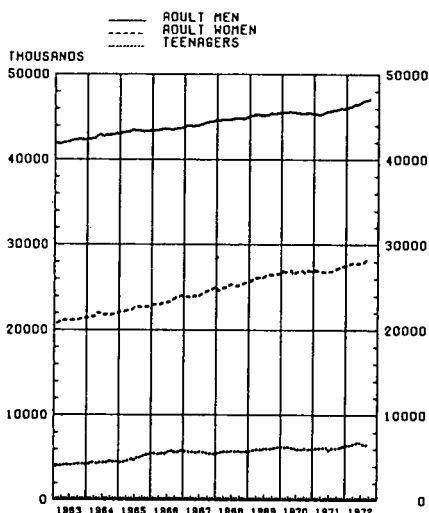
Note: All series are in current dollars except where indicated. The index excludes effects of 2 types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

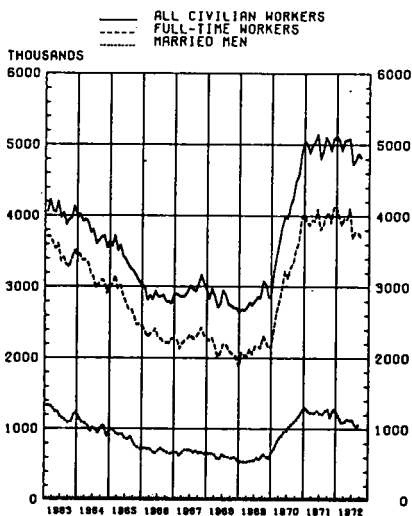
1. LABOR FORCE AND EMPLOYMENT



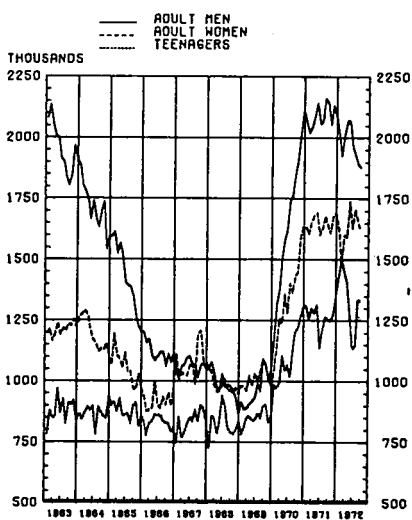
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

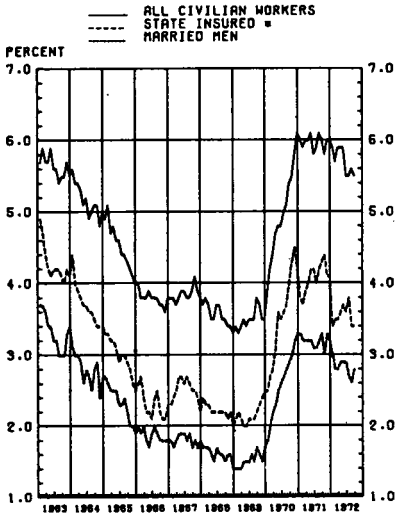


4. UNEMPLOYMENT

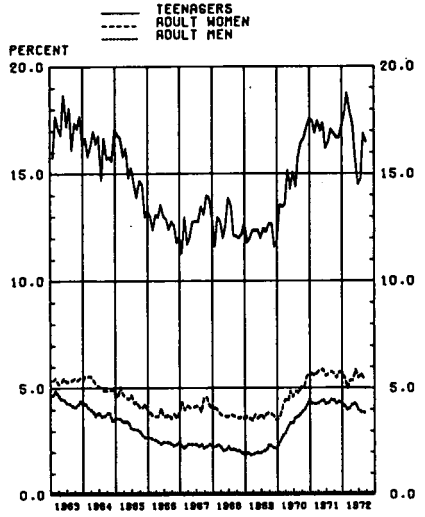


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

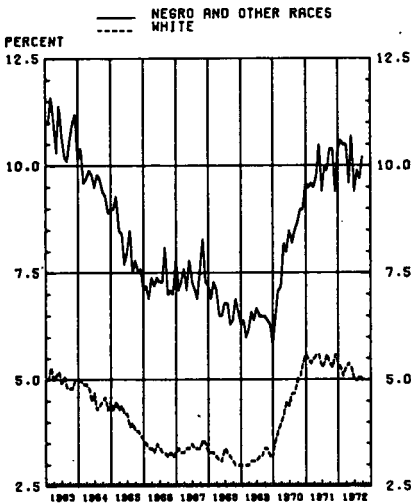
5. UNEMPLOYMENT RATES



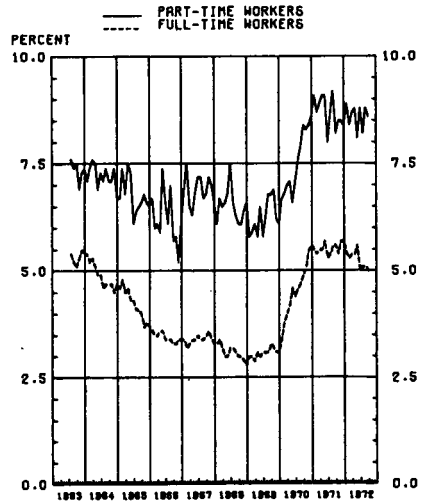
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



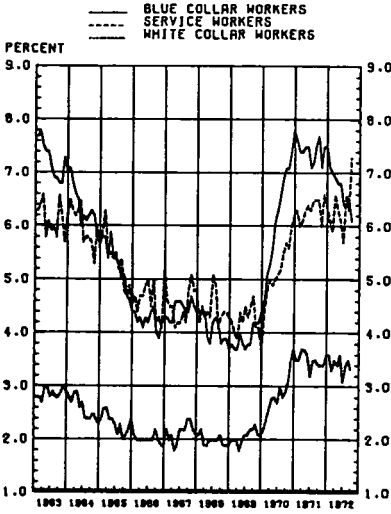
8. UNEMPLOYMENT RATES



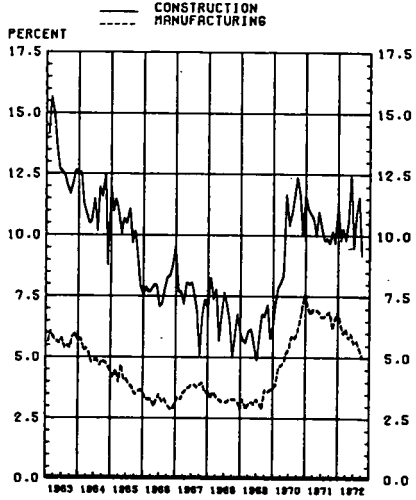
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

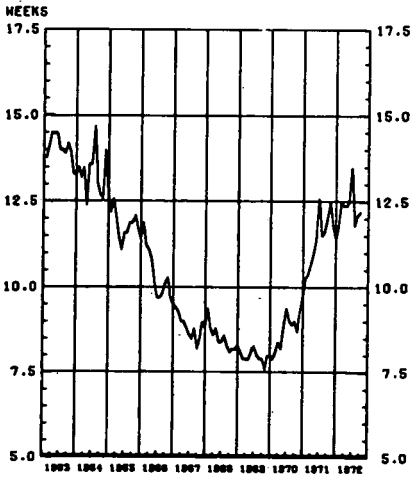
9. UNEMPLOYMENT RATES



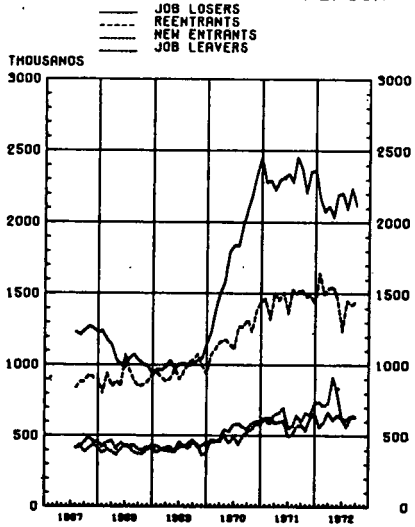
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT



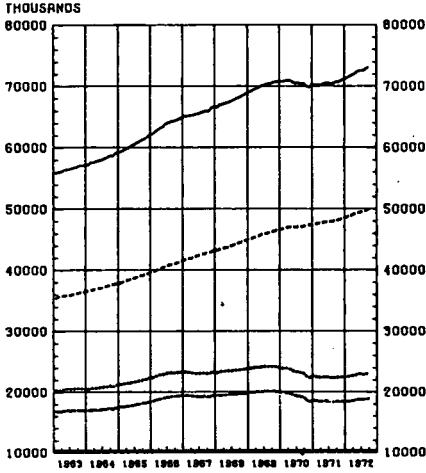
12. UNEMPLOYMENT BY REASON



NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

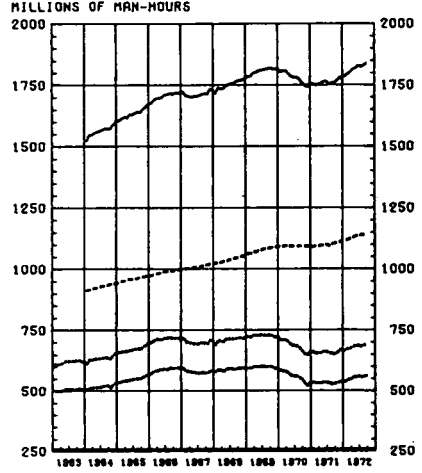
13. EMPLOYMENT

— TOTAL NONAGRICULTURAL
- - - SERVICE-PRODUCING
— GOODS-PRODUCING
— MANUFACTURING



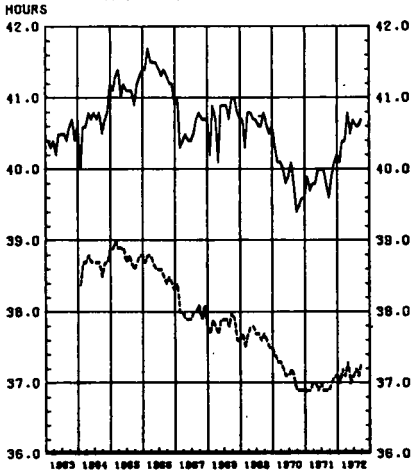
14. MAN-HOURS

— TOTAL PRIVATE NONAGRICULTURAL
- - - PRIVATE SERVICE-PRODUCING
— GOODS-PRODUCING
— MANUFACTURING

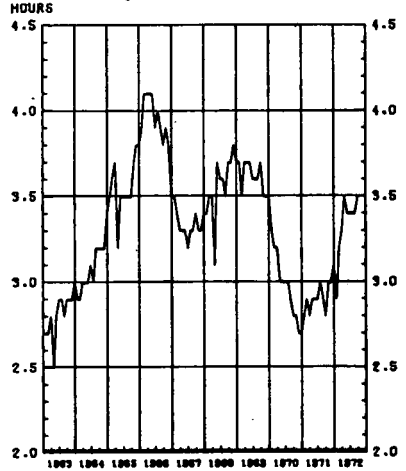


15. AVERAGE WEEKLY HOURS

— MANUFACTURING
- - - TOTAL PRIVATE



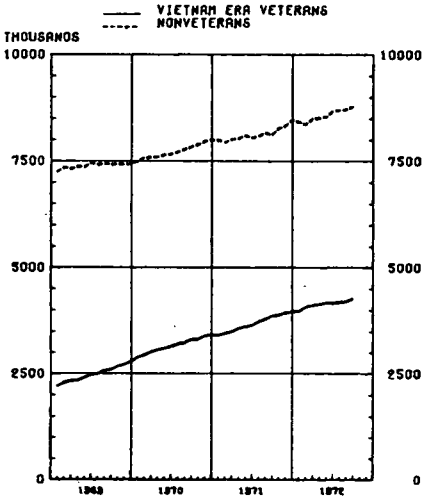
16. AVERAGE WEEKLY OVERTIME HOURS
IN MANUFACTURING



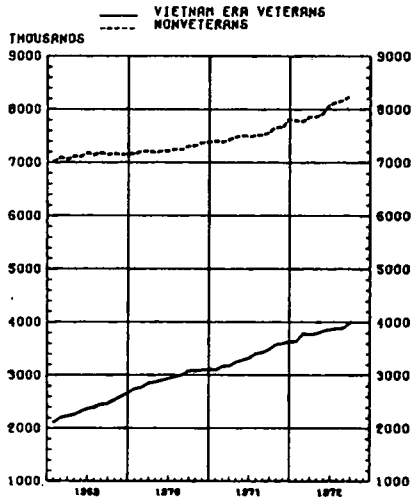
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS, 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

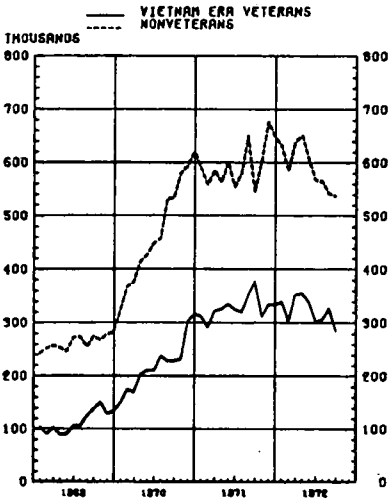
17. CIVILIAN LABOR FORCE



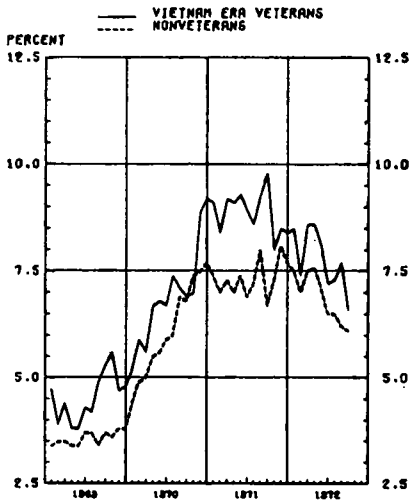
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-688, Oct. 5, 1972]

WHOLESALE PRICE INDEX: SEPTEMBER 1972

The Wholesale Price Index of All Commodities rose 0.3 percent between August and September, the U.S. Department of Labor's Bureau of Labor Statistics announced today.

Industrial commodities increased 0.2 percent.

Prices of farm products and processed foods and feeds advanced 0.6 percent.

Consumer finished goods, a selection of commodities closely comparable to those in the commodity component of the Consumer Price Index, were up 0.3 percent.

Of the 15 major commodity groups measured by the Wholesale Price Index, 11 advanced between August and September and four showed no change. In September, the All Commodities WPI was 120.2 (1967=100), 5.0 percent above a year earlier; the industrial commodities index was up 3.2 percent over a year ago.

SEASONALLY ADJUSTED CHANGES

On a seasonally adjusted basis, the All Commodities Wholesale Price Index also rose 0.3 percent in September.

Industrial commodities were up 0.2 percent.

Farm products and processed foods and feeds advanced 0.8 percent.

Consumer finished goods were down 0.1 percent.

In the calendar quarter ended in September, the WPI rose at a seasonally adjusted annual rate of 6.7 percent, compared with a rate of 4.9 percent in each of the preceding quarters of 1972. Industrial commodities advanced at an annual rate of 3.2 percent in the 3 months ended in September, following an increase of 4.9 percent for the 3-month period ended in June and 4.2 percent for the period ended in March. The index for farm products and processed foods and feeds moved up at an annual rate of 17.4 percent from June to September after rising at a rate of 4.8 percent between March and June and 7.0 percent between December 1971 and March. For consumer finished goods, which include both food and nonfood commodities, the annual rate of increase in the June-to-September period was 6.7 percent compared with a 2.5 percent rate for the 3 months from March to June and 2.8 for the December 1971-March 1972 period. (For changes over 3-, 6-, and 12-month spans, see Table 2).

Comparative annual rates of change in the WPI before and during the Economic Stabilization Program that began in August 1971 are as follows:

| | 1971 prior to phase I (December 1970 to August 1971) | 3 months phase I (August 1971 to November 1971) | 10 months phase II (November 1971 to September 1972) | 13 months phases I and II (August 1971 to September 1972) |
|--|--|--|---|--|
| All commodities..... | 5.2 | -0.2 | 5.7 | 4.3 |
| Industrial commodities..... | 4.7 | -0.5 | 4.0 | 2.9 |
| Farm products, processed foods, and feeds..... | 6.5 | 1.1 | 10.4 | 8.2 |
| Consumer finished goods..... | 4.1 | -1.1 | 4.7 | 3.3 |
| Foods..... | 6.8 | .3 | 6.7 | 5.2 |
| Finished goods, excluding foods..... | 2.2 | -0.4 | 3.2 | 2.4 |

Among consumer finished goods, foods declined 0.3 percent in September (seasonally adjusted), chiefly because fresh egg prices increased much less than usual for this period and beef and veal prices declined more than seasonally. Consumer nonfood finished goods increased 0.4 percent over the month. Within this grouping, nondurable finished goods were up 0.3 percent largely as a result of higher prices for gasoline. The increase of 0.4 percent for consumer durable goods after seasonal adjustment, was due principally to the fact that passenger car prices (1972 models) were unchanged instead of showing their usual September decrease.

Producer finished goods edged up only 0.1 percent on a seasonally adjusted basis. Moderate increases for a wide variety of materials explained the 0.1 percent advance for processed (intermediate) materials, supplies and components (excluding foods and feeds). The index for crude materials for further processing (excluding foods, feeds, and fibers) edged down 0.1 percent mostly because scrap metal prices declined after seasonal adjustment.

PRICE CHANGES FOR COMMODITY GROUPS, NOT SEASONALLY ADJUSTED

Fuels led the rise in industrial commodities for the second month in succession in September; they accounted for close to one-third of the total advance. Gasoline prices continued to move up; gas fuels registered a substantial increase and electric power and anthracite prices were higher. Metal and metal product prices advanced; the most important increase was for nonferrous metals; foundry and forge shop products and iron and steel scrap also increased; and a number of fabricated metal products showed moderate gains. Leather and footwear cut stock were up in price substantially, while footwear and hides and skins registered more moderate gains. In the furniture and household durables group, there were increases for commercial furniture, major appliances, radios, and floor coverings, but household furniture was down in price. Converted paper and paperboard products, paperboard, wastepaper, and insulation board were somewhat higher; hardboard and particleboard declined. The advance of 0.3 percent for lumber and wood products was the smallest so far in 1972; the principal advance was for softwood lumber; however, plywood declined significantly. A small increase for nonmetallic mineral products chiefly reflected higher prices for refractories and concrete ingredients and products; gypsum products were lower. Among textiles, wool products continued to advance, but manmade fiber goods decreased in price; apparel (principally men's and boys') was higher while jute woven goods were down. The index for machinery and equipment showed no change. Price changes within the chemical, rubber and plastic, and transportation equipment groups were generally small.

The 0.3 percent advance for farm products chiefly reflected higher prices for grains, eggs, fresh fruit, live poultry, fluid milk, and oilseeds; livestock, fresh vegetables, raw cotton, and green coffee were lower. The processed foods and feeds index rose 0.7 percent principally because of increases for animal feeds, pepper, processed poultry, fish, cereal and bakery products, and dairy products. Meats, processed fruits and vegetables, and fats and oils declined.

A NOTE ON SEASONALLY ADJUSTED AND UNADJUSTED DATA

Because price data was used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred since they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and supply cycles, model changeovers, seasonal discounts and holidays. Seasonally adjusted data are subject to revision when seasonal factors are revised.

The unadjusted data are of principal interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

TABLE 1.—WHOLESALE PRICE INDEXES FOR MAJOR COMMODITY GROUPS AND SPECIAL GROUPINGS, SEPTEMBER 1972

| | Relative importance ¹ | Unadjusted indexes (1967=100 unless otherwise noted) | | Unadjusted percent change to Sept. 1972 from— | | Seasonally adjusted percent change between— | | |
|---|----------------------------------|--|-------------|---|----------------|---|------------------|----------------|
| | December 1971 | September 1972 | August 1972 | August 1972 | September 1971 | August-September 1972 | July-August 1972 | June-July 1972 |
| All commodities..... | 100.000 | 120.2 | 119.9 | 0.3 | 5.0 | 0.3 | 0.6 | 0.7 |
| All commodities (1957-59=100)..... | 0 | 127.5 | 127.2 | 0 | 0 | 0 | 0 | 0 |
| Commodity groups: | | | | | | | | |
| Farm products, and processed foods and feeds..... | 26.838 | 124.5 | 123.8 | .6 | 10.2 | .8 | 1.4 | 1.8 |
| Farm products..... | 10.432 | 128.6 | 128.2 | .3 | 16.4 | .9 | 2.9 | 3.3 |
| Processed foods and feeds..... | 16.405 | 121.8 | 121.0 | .7 | 6.3 | 1.1 | .4 | .7 |
| Industrial commodities..... | 73.162 | 118.7 | 118.5 | .2 | 3.2 | 0 | .4 | .2 |
| Textile products and apparel..... | 6.849 | 114.3 | 114.1 | .2 | 4.2 | .2 | -1 | .3 |
| Hides, skins, leather, and related products..... | 1.254 | 135.7 | 134.6 | .8 | 18.3 | .9 | 2.5 | |
| Fuels and related products and power..... | 7.174 | 120.3 | 119.7 | .5 | 4.3 | .4 | 1.2 | .7 |
| Chemicals and allied products..... | 5.716 | 104.4 | 104.4 | 0 | .1 | .1 | .2 | 0 |
| Rubber and plastic products ² | 2.257 | 109.5 | 109.5 | 0 | -.2 | 0 | 0 | 0 |
| Lumber and wood products..... | 2.854 | 148.5 | 148.1 | .3 | 10.6 | .1 | 1.9 | .6 |
| Pulp, paper and allied products..... | 4.705 | 114.3 | 114.1 | .2 | 3.3 | .3 | .4 | .2 |
| Metals and metal products..... | 13.439 | 124.0 | 123.7 | .2 | 2.4 | -.1 | .2 | 0 |
| Machinery and equipment..... | 12.280 | 118.3 | 118.3 | 0 | 2.0 | 0 | .1 | .2 |
| Furniture and household durables..... | 3.438 | 112.0 | 111.7 | .3 | 1.6 | .4 | .3 | .2 |
| Nonmetallic mineral products..... | 3.296 | 126.9 | 126.7 | .2 | 2.2 | .5 | .5 | .3 |
| Transportation equipment (Dec. 1968=100) ² | 7.416 | 114.2 | 114.2 | 0 | 4.2 | 0 | 0 | 0 |
| Miscellaneous products ² | 2.486 | 115.2 | 115.1 | .1 | 1.9 | 0 | 0 | 0 |
| Special groupings: | | | | | | | | |
| Consumer finished goods..... | 33.270 | 117.7 | 117.4 | .3 | 4.4 | -.1 | .9 | .8 |
| Foods..... | 13.059 | 123.6 | 123.1 | .4 | 7.6 | -.3 | 1.4 | 1.3 |
| Finished goods, excluding foods..... | 20.211 | 114.2 | 114.0 | .2 | 2.6 | .4 | .4 | .3 |
| Nondurable..... | 12.383 | 114.5 | 114.2 | .3 | 2.3 | .3 | .4 | .3 |
| Durable..... | 7.828 | 113.7 | 113.6 | .1 | 3.0 | .4 | .3 | .4 |
| Producer finished goods..... | 10.201 | 119.9 | 119.8 | .1 | 2.6 | .1 | .3 | .1 |
| Manufactured goods..... | 83.270 | 118.8 | 118.5 | .3 | 3.6 | .3 | .3 | .3 |
| Durable..... | 43.242 | 121.9 | 121.7 | .2 | 3.0 | .1 | .4 | .2 |
| Intermediate materials supplies and components, excluding selected items ³ | 41.355 | 119.8 | 119.5 | .3 | 3.4 | .1 | .3 | .2 |
| Crude materials for further processing, excluding selected items ⁴ | 2.814 | 132.6 | 132.3 | .2 | 7.8 | -.1 | 1.6 | 1.0 |

¹ Comprehensive relative importance figures are computed once each year in December.

² Not seasonally adjusted.

³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.

⁴ Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

TABLE 2.—PERCENT CHANGES IN WPI AND COMPONENTS, SEPTEMBER 1972

| Month | All commodities | | | | | Industrial commodities | | | | |
|----------------|---------------------|---------------------|------------------------------------|------------------------------------|----------------------------|------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| September 1971 | -0.3 | -0.3 | 2.5 | 3.6 | 3.2 | -0.1 | -0.1 | 4.4 | 4.7 | 4.2 |
| October | -1 | -1 | 2.3 | 3.0 | 3.1 | 0 | -2 | 1.3 | 3.4 | 3.3 |
| November | .1 | .1 | -2 | 2.6 | 3.2 | -1 | .1 | -5 | 2.7 | 3.2 |
| December | .8 | .6 | 3.5 | 3.0 | 4.0 | .3 | .2 | .6 | 2.5 | 3.2 |
| January 1972 | .9 | .5 | 5.1 | 3.7 | 4.0 | .5 | .4 | 2.8 | 2.0 | 3.3 |
| February | .9 | .1 | 4.9 | 3.3 | 4.0 | .5 | .4 | 4.0 | 1.7 | 3.6 |
| March | .1 | .3 | 3.8 | 4.5 | 3.9 | .3 | .3 | 4.2 | 2.4 | 3.5 |
| April | .1 | .3 | 4.9 | 4.2 | 3.7 | .4 | .4 | 4.5 | 3.6 | 3.5 |
| May | .6 | .5 | 3.4 | 5.2 | 3.9 | .3 | .4 | 4.3 | 4.1 | 3.4 |
| June | .5 | .5 | 4.9 | 4.9 | 3.9 | .3 | .4 | 4.9 | 4.5 | 3.5 |
| July | .8 | .7 | 6.6 | 5.2 | 4.5 | .2 | .2 | 4.1 | 4.3 | 3.1 |
| August | .2 | .6 | 7.4 | 5.4 | 4.4 | .3 | .4 | 4.1 | 4.2 | 3.0 |
| September | .3 | .3 | 6.7 | 5.8 | 5.0 | .2 | .2 | 3.2 | 4.1 | 3.2 |

| Month | Farm products and processed foods and feeds | | | | | Consumer foods | | | | |
|----------------|---|---------------------|------------------------------------|------------------------------------|----------------------------|---------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| September 1971 | -1.4 | -1.2 | -2.8 | 0.7 | 0.4 | -1.0 | -1.8 | -5.1 | -0.3 | 0.6 |
| October | 0 | 1.1 | 4.7 | 1.9 | 2.4 | .1 | 2.1 | 9.4 | 2.3 | 3.3 |
| November | .5 | .3 | 1.1 | 2.3 | 3.4 | .6 | -2 | .3 | 1.6 | 3.3 |
| December | 2.0 | 1.4 | 12.2 | 4.4 | 6.0 | 1.7 | 1.5 | 14.4 | 4.2 | 6.0 |
| January 1972 | 1.3 | .9 | 10.9 | 7.7 | 6.1 | .8 | .4 | 7.0 | 8.2 | 5.7 |
| February | 1.9 | 1.2 | 14.7 | 7.6 | 5.3 | 1.6 | 1.5 | 14.5 | 7.2 | 5.9 |
| March | -4 | -3 | 7.0 | 9.6 | 5.0 | -1.0 | -1.0 | 3.8 | 8.9 | 4.9 |
| April | -7 | -1 | 3.1 | 6.9 | 4.4 | -1.2 | -3 | .7 | 3.8 | 3.1 |
| May | 1.4 | .8 | 1.4 | 7.8 | 5.0 | 1.3 | .5 | -3.3 | 5.2 | 3.4 |
| June | 1.1 | .5 | 4.8 | 5.9 | 5.1 | 1.0 | .5 | 2.7 | 5.2 | 3.7 |
| July | 2.2 | 1.8 | 13.1 | 8.0 | 7.8 | 2.2 | 1.3 | 9.8 | 5.1 | 6.7 |
| August | -2 | 1.4 | 15.9 | 8.4 | 8.0 | -2 | 1.4 | 13.7 | 4.9 | 6.0 |
| September | .6 | .8 | 17.4 | 10.9 | 10.2 | .4 | .3 | 10.0 | 6.3 | 7.6 |

TABLE 2.—PERCENT CHANGES IN WPI AND COMPONENTS, SEPTEMBER 1972—Continued

| Month | Consumer finished goods, total | | | | | Consumer goods, excluding foods | | | | |
|---------------------|--------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|---------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| September 1971..... | -0.5 | -0.8 | -0.4 | 1.3 | 2.1 | -0.2 | 0 | 2.2 | 1.8 | 3.1 |
| October..... | .2 | .4 | 2.9 | 1.6 | 2.5 | .3 | -.2 | 0 | 1.5 | 2.0 |
| November..... | .2 | .1 | -1.1 | 1.1 | 2.4 | 0 | .1 | -.4 | .9 | 1.8 |
| December..... | 1.0 | .9 | 5.8 | 2.7 | 3.3 | .4 | .4 | 1.1 | 1.6 | 1.7 |
| January 1972..... | .4 | .3 | 5.0 | 4.0 | 3.1 | .2 | .3 | 2.9 | 1.4 | 1.4 |
| February..... | .8 | .7 | 7.6 | 3.2 | 3.2 | .2 | .2 | 3.3 | 1.4 | 1.5 |
| March..... | -.3 | -.3 | 2.8 | 4.3 | 2.8 | .2 | .3 | 2.9 | 2.0 | 1.9 |
| April..... | -.3 | 0 | 1.8 | 3.4 | 2.5 | .2 | .3 | 2.9 | 2.9 | 2.2 |
| May..... | .6 | .3 | .3 | 3.9 | 2.5 | .2 | .2 | 2.9 | 3.1 | 2.0 |
| June..... | .5 | .3 | 2.5 | 2.6 | 2.7 | .3 | .2 | 2.5 | 2.7 | 2.2 |
| July..... | 1.0 | .8 | 5.7 | 3.7 | 3.8 | .3 | .3 | 2.5 | 2.7 | 2.1 |
| August..... | .1 | .9 | 8.2 | 4.2 | 3.6 | .3 | .4 | 3.2 | 3.0 | 2.2 |
| September..... | .3 | -.1 | 6.7 | 4.6 | 4.4 | .2 | .4 | 3.9 | 3.2 | 2.6 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, SEPTEMBER 1972

[1967=100 unless otherwise indicated]

| Grouping | Indexes | | | Percent change to September 1972 from— | |
|--|-----------|--------|-----------|--|------------|
| | 1972 | | 1971 | 1 month ago | 1 year ago |
| | September | August | September | | |
| Farm products..... | 128.6 | 128.2 | 110.5 | 0.3 | 16.4 |
| Fresh and dried fruits and vegetables..... | 138.1 | 138.9 | 103.6 | -.6 | 33.3 |
| Grains..... | 109.5 | 99.8 | 89.0 | 9.7 | 23.0 |
| Livestock..... | 144.9 | 148.1 | 119.1 | -2.2 | 21.7 |
| Live poultry..... | 112.3 | 106.8 | 102.8 | 5.1 | 9.2 |
| Plant and animal fibers..... | 108.4 | 120.6 | 95.2 | -10.1 | 13.9 |
| Fluid milk..... | 122.8 | 122.0 | 119.2 | .7 | 3.0 |
| Eggs..... | 114.9 | 99.3 | 107.8 | 15.7 | 6.6 |
| Hay, hayseeds, and oilseeds..... | 118.0 | 115.9 | 108.9 | 1.8 | 8.4 |
| Other farm products..... | 132.7 | 134.6 | 115.6 | -1.4 | 14.8 |
| Processed foods and feeds..... | 121.8 | 121.0 | 114.6 | .7 | 6.3 |
| Cereal and bakery products..... | 116.1 | 115.3 | 111.3 | .7 | 4.3 |
| Meats, poultry, and fish..... | 131.7 | 132.3 | 117.5 | -5.5 | 12.1 |
| Dairy products..... | 119.0 | 118.6 | 115.4 | .3 | 3.1 |
| Processed fruits and vegetables..... | 120.1 | 120.2 | 115.7 | -.1 | 3.8 |
| Sugar and confectionery..... | 121.6 | 121.3 | 119.8 | .2 | 1.5 |
| Beverages and beverage materials..... | 119.1 | 118.9 | 116.0 | .2 | 2.7 |
| Animal fats and oils..... | 126.7 | 124.0 | 136.5 | 2.2 | -7.2 |
| Crude vegetable oils..... | 100.7 | 104.1 | 135.6 | -3.3 | -25.7 |
| Refined vegetable oils..... | 107.0 | 107.5 | 133.6 | -.5 | -19.9 |
| Vegetable oil end products..... | 121.5 | 121.5 | 123.3 | 0 | 1.5 |
| Miscellaneous processed foods..... | 116.4 | 113.9 | 113.0 | 2.2 | 3.0 |
| Manufactured animal feeds..... | 117.8 | 111.7 | 101.3 | 5.5 | 16.3 |
| Textile products and apparel..... | 114.3 | 114.1 | 109.7 | .2 | 4.2 |
| Cotton products..... | 123.6 | 122.8 | 112.2 | .7 | 10.2 |
| Wool products..... | 102.5 | 101.1 | 92.5 | 1.4 | 10.8 |
| Manmade fiber textile products..... | 108.6 | 108.7 | 103.1 | -.1 | 5.3 |
| Apparel..... | 115.3 | 115.1 | 113.8 | .2 | 1.3 |
| Textile housefurnishings..... | 110.0 | 109.9 | 104.1 | .1 | 5.7 |
| Miscellaneous textile products..... | 120.4 | 121.4 | 119.8 | -.8 | 5.5 |
| Hides, skins, leather, and related products..... | 135.7 | 134.6 | 114.7 | .8 | 18.3 |
| Hides and skins..... | 244.0 | 243.0 | 117.7 | .4 | 107.3 |
| Leather..... | 143.5 | 140.6 | 113.4 | 2.1 | 26.5 |
| Footwear..... | 126.8 | 126.5 | 117.1 | .2 | 8.3 |
| Other leather and related products..... | 120.4 | 118.7 | 109.0 | 1.4 | 10.5 |
| Fuels and related products and power..... | 120.3 | 119.7 | 115.3 | .5 | 4.3 |
| Coal..... | 192.2 | 191.5 | 182.9 | .4 | 5.1 |
| Coke..... | 155.3 | 155.3 | 150.5 | 0 | 3.2 |
| Gas fuels..... | 116.7 | 114.3 | 108.4 | 2.1 | 7.7 |
| Electric power..... | 122.6 | 122.1 | 116.4 | .4 | 5.3 |
| Crude petroleum..... | 114.7 | 114.7 | 113.2 | 0 | 1.3 |
| Petroleum products, refined..... | 111.3 | 110.7 | 107.3 | .5 | 3.7 |
| Chemicals and allied products..... | 104.4 | 104.4 | 104.3 | 0 | 1.1 |
| Industrial chemicals..... | 101.3 | 101.3 | 102.4 | 0 | -1.1 |
| Prepared paint..... | 118.3 | 118.3 | 115.9 | 0 | 2.1 |
| Paint materials..... | 105.2 | 105.2 | 99.7 | 0 | 5.5 |
| Drugs and pharmaceuticals..... | 103.1 | 103.3 | 102.6 | -.2 | .5 |
| Fats and oils, inedible..... | 116.4 | 121.4 | 132.9 | -4.1 | -12.4 |
| Agricultural chemical and chemical products..... | 92.0 | 92.0 | 91.0 | 0 | 1.1 |
| Plastic resins and materials..... | 88.9 | 88.2 | 89.5 | .8 | -.7 |
| Other chemicals and allied products..... | 113.8 | 113.5 | 112.4 | .3 | 1.2 |
| Rubber and plastic products..... | 109.5 | 109.5 | 109.7 | 0 | -.2 |
| Rubber and rubber products..... | 114.3 | 114.3 | 113.7 | 0 | -.5 |
| Crude rubber..... | 98.8 | 98.7 | 99.3 | .1 | -.5 |
| Tires and tubes..... | 109.7 | 109.7 | 110.8 | 0 | -1.0 |
| Miscellaneous rubber products..... | 122.1 | 122.1 | 119.8 | 0 | 1.9 |
| Plastic construction products (December 1969=100)..... | 93.3 | 93.3 | 94.7 | 0 | -1.5 |
| Unsupported plastic film and sheeting (December 1970=100)..... | 98.3 | 98.3 | 100.0 | 0 | -1.7 |
| Laminated plastic sheets, high pressure (December 1970=100)..... | 97.9 | 97.9 | 98.6 | 0 | -.7 |
| Lumber and wood products..... | 148.5 | 148.1 | 134.3 | .3 | 10.6 |
| Lumber..... | 165.1 | 164.1 | 146.8 | .6 | 12.5 |
| Millwork..... | 130.2 | 130.0 | 123.7 | .2 | 5.3 |
| Plywood..... | 134.6 | 135.9 | 119.1 | -1.0 | 13.0 |
| Other wood products..... | 127.6 | 126.8 | 118.9 | .6 | 7.3 |
| Pulp, paper, and allied products..... | 114.3 | 114.1 | 110.6 | .2 | 3.3 |
| Pulp, paper, and products, excluding building paper and board..... | 114.6 | 114.4 | 110.8 | .2 | 3.4 |
| Woodpulp..... | 111.5 | 111.5 | 111.5 | 0 | 0 |
| Wastepaper..... | 139.2 | 138.9 | 114.5 | .2 | 21.6 |
| Paper..... | 116.7 | 116.7 | 114.7 | 0 | 1.7 |
| Paperboard..... | 106.5 | 106.0 | 102.8 | .5 | 3.6 |
| Converted paper and paperboard products..... | 114.6 | 114.3 | 110.2 | .3 | 4.0 |
| Building paper and board..... | 107.3 | 107.2 | 104.5 | .1 | 2.7 |

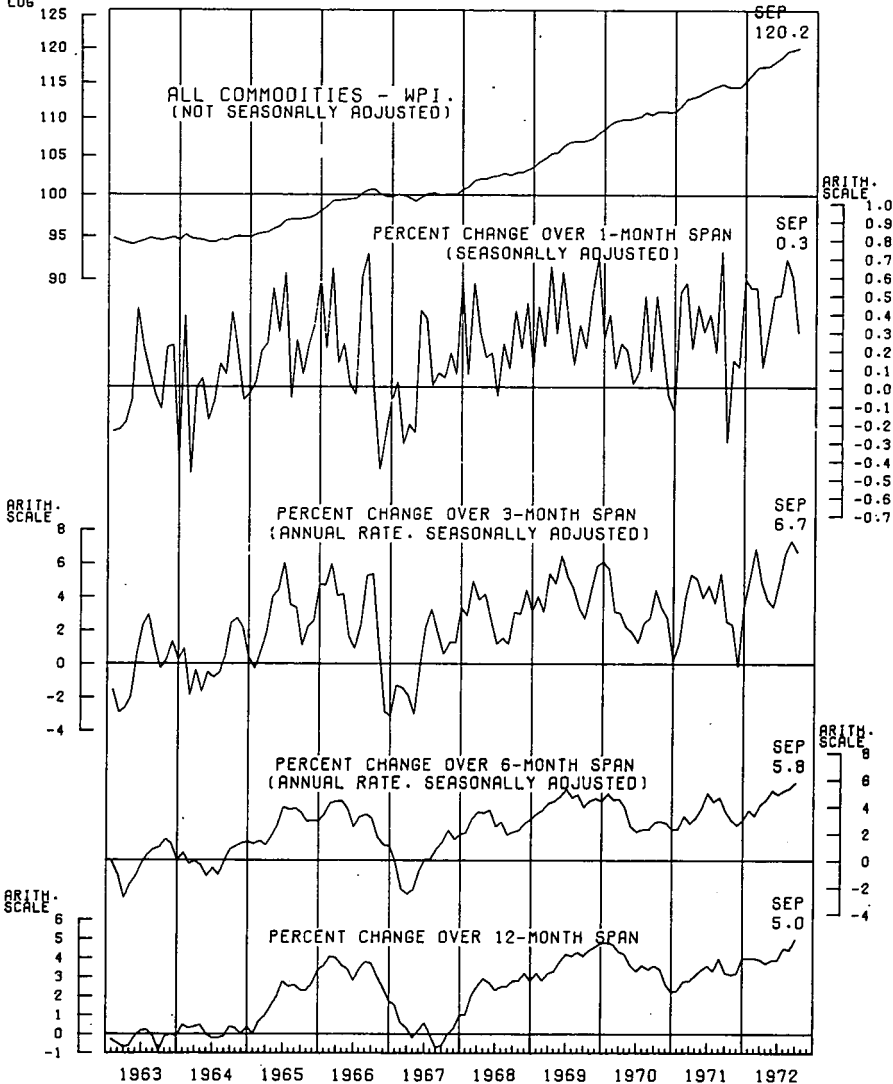
TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, SEPTEMBER 1972—Con.

[1967=100 unless otherwise indicated]

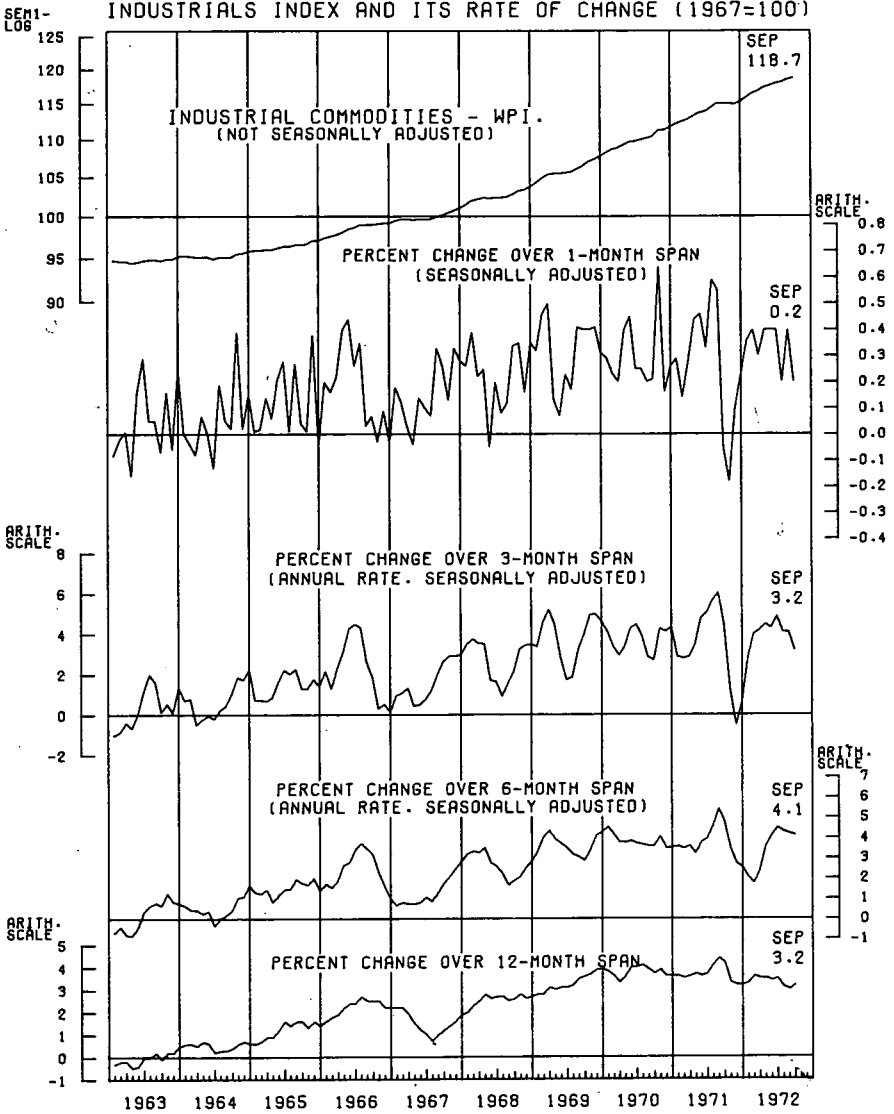
| Grouping | Indexes | | | Percent change to September 1972 from— | |
|---|-----------|--------|-----------|--|---------------|
| | 1972 | 1971 | | 1 month ago | 1 year ago |
| | September | August | September | | |
| Metals and metal products..... | 124.0 | 123.7 | 121.1 | .2 | 2.4 |
| Iron and steel..... | 128.8 | 128.6 | 125.6 | .2 | 2.5 |
| Nonferrous metals..... | 117.4 | 116.8 | 116.5 | .5 | .8 |
| Metals containers..... | 131.1 | 130.9 | 124.2 | .2 | 5.6 |
| Hardware..... | 120.8 | 120.7 | 117.7 | .1 | 2.6 |
| Plumbing fixtures and brass fittings..... | 120.5 | 120.2 | 118.3 | .2 | 1.9 |
| Heating equipment..... | 119.2 | 119.2 | 116.7 | 0 | 2.1 |
| Fabricated structural metal products..... | 122.7 | 122.5 | 120.3 | .2 | 2.0 |
| Miscellaneous metal products..... | 124.7 | 124.7 | 119.9 | 0 | 4.0 |
| Machinery and equipment..... | 118.3 | 118.3 | 116.0 | 0 | 2.0 |
| Agricultural machinery and equipment..... | 122.6 | 122.8 | 117.5 | -.2 | 4.3 |
| Construction machinery and equipment..... | 126.1 | 126.1 | 121.8 | 0 | 3.5 |
| Metalworking machinery and equipment..... | 121.0 | 120.8 | 118.0 | .2 | 2.5 |
| General-purpose machinery and equipment..... | 123.0 | 123.0 | 120.2 | 0 | 2.3 |
| Special industry machinery and equipment..... | 124.0 | 124.0 | 121.7 | 0 | 1.9 |
| Electrical machinery and equipment..... | 110.6 | 110.6 | 109.7 | 0 | .8 |
| Miscellaneous machinery..... | 120.9 | 120.8 | 117.8 | .1 | 2.6 |
| Furniture and household durables..... | 112.0 | 111.7 | 110.2 | -.3 | 1.6 |
| Household furniture..... | 117.7 | 117.8 | 115.6 | -.1 | 1.8 |
| Commercial furniture..... | 121.1 | 119.8 | 118.2 | 1.1 | 2.5 |
| Floor coverings..... | 99.0 | 98.8 | 97.6 | .2 | 1.4 |
| Household appliances..... | 108.1 | 107.7 | 107.6 | .4 | .5 |
| Home electronic equipment..... | 92.9 | 92.4 | 93.8 | .5 | -1.0 |
| Other household durable goods..... | 127.0 | 126.8 | 122.1 | .2 | 4.0 |
| Nonmetallic mineral products..... | 126.9 | 126.7 | 124.2 | .2 | 2.2 |
| Flat glass..... | 122.8 | 122.8 | 124.3 | 0 | -1.2 |
| Concrete ingredients..... | 128.3 | 128.1 | 124.1 | .2 | 3.4 |
| Concrete products..... | 126.3 | 126.1 | 122.6 | .2 | 3.0 |
| Structural clay products, excluding refractories..... | 117.5 | 117.5 | 114.9 | 0 | 2.3 |
| Refractories..... | 132.1 | 129.6 | 126.9 | 1.9 | 4.1 |
| Asphalt roofing..... | 131.2 | 131.2 | 131.2 | 0 | 0 |
| Gypsum products..... | 115.2 | 116.1 | 114.5 | -.8 | .6 |
| Glass containers..... | 136.4 | 136.4 | 131.5 | 0 | 3.7 |
| Other nonmetallic minerals..... | 127.3 | 127.1 | 125.7 | .2 | 1.3 |
| Transportation equipment (December 1968=100)..... | 114.2 | 114.2 | 109.6 | 0 | 4.2 |
| Motor vehicles and equipment..... | 118.5 | 118.5 | 113.8 | 0 | 4.1 |
| Railroad equipment..... | 130.2 | 130.2 | 122.5 | 0 | 6.3 |
| Miscellaneous products..... | 115.2 | 115.1 | 113.0 | .1 | 1.9 |
| Toys, sporting goods, small arms, ammunition..... | 114.8 | 114.5 | 112.6 | .3 | 2.0 |
| Tobacco products..... | 117.5 | 117.5 | 116.8 | 0 | .6 |
| Notions..... | 112.9 | 111.7 | 111.7 | 1.1 | 1.1 |
| Photographic equipment and supplies..... | 107.0 | 107.0 | 106.3 | 0 | .7 |
| Other miscellaneous products..... | 117.6 | 117.6 | 112.9 | 0 | 4.2 |

WHOLESALE PRICE INDEX 1963-1972

SEM- LOG ALL COMMODITIES INDEX AND ITS RATE OF CHANGE (1967=100)

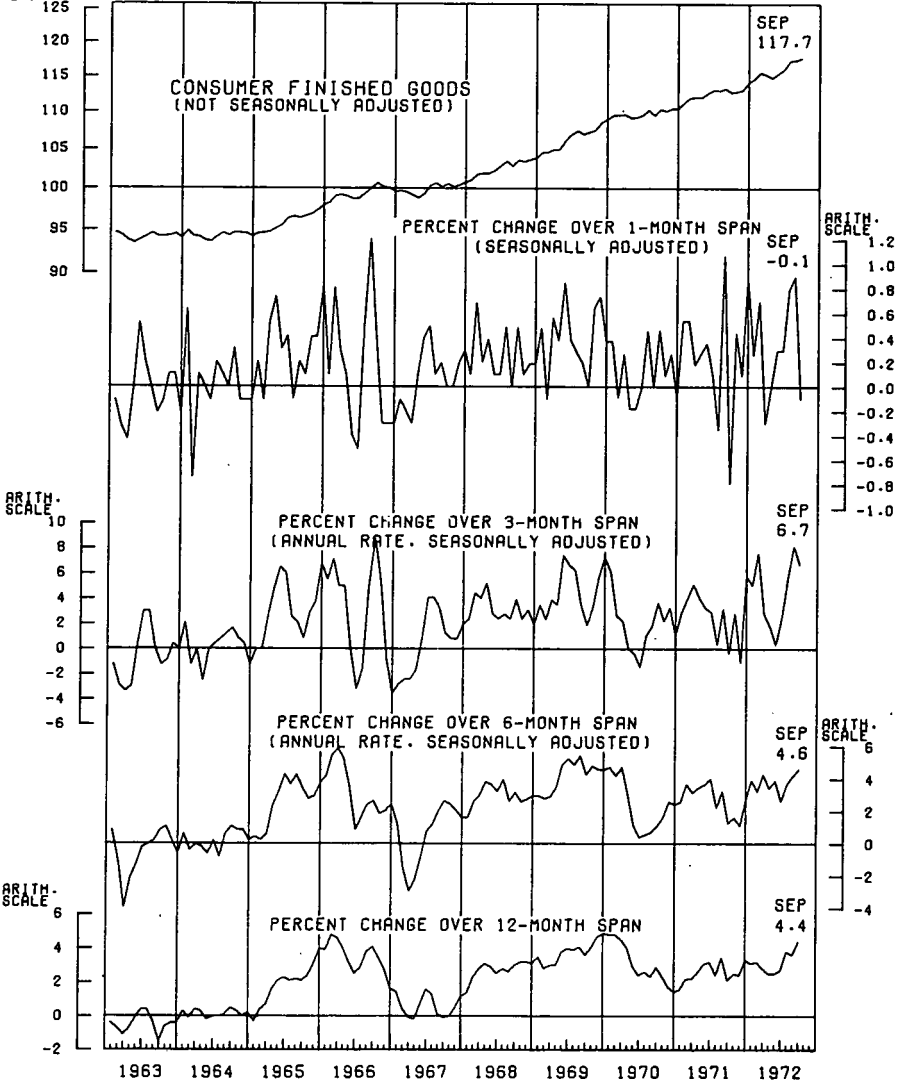


WHOLESALE PRICE INDEX 1963-1972
 INDUSTRIALS INDEX AND ITS RATE OF CHANGE (1967=100)



WHOLESALE PRICE INDEX 1963-1972

SEM1- CONSUMER FINISHED GOODS AND ITS RATE OF CHANGE (1967=100)



MEASURES OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT STABILIZATION PROGRAM

1. MONTHLY SERIES

[Seasonally adjusted percent change, compound annual rate]

| | 12 months, December 1968 to December 1969 | 12 months, December 1969 to December 1970 | 8 months prior to phase I: December 1970 to August 1971 | 3 months, phase I: August to November 1971 | 9 months, phase II: November 1971 to August 1972 | 12 months, phases I and II: August 1971 to August 1972 |
|---|---|---|--|--|--|---|
| Consumer Price Index: | | | | | | |
| All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.3 | 2.9 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 4.6 | 3.8 |
| Commodities less food..... | 4.5 | 4.8 | 2.9 | 0 | 2.7 | 2.0 |
| Services ¹ | 7.4 | 8.2 | 4.6 | 3.1 | 3.5 | 3.4 |
| Rent ¹ | 3.8 | 4.5 | 4.3 | 2.8 | 3.2 | 3.1 |
| Wage Price Index: | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | -2 | 2 5.7 | 2 4.3 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | -5 | 2 4.0 | 2 2.9 |
| Farm products, processed foods, feeds ² | 7.5 | -1.4 | 6.5 | 1.1 | 2 10.4 | 2 8.2 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | 2 4.7 | 2 3.3 |
| Consumer foods ³ | 8.2 | -2.5 | 6.8 | .3 | 2 6.7 | 2 5.2 |
| Consumer commodities except food..... | 2.9 | 4.0 | 2.2 | -4 | 2 3.2 | 2 2.4 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | 2 3.5 | 2 2.2 |
| Spot market price index, industrial materials ⁴ | 16.4 | -8.8 | -4 | 3.1 | 2 20.4 | 2 16.2 |
| Private nonfarm production workers: | | | | | | |
| Earnings in current dollars: | | | | | | |
| Hourly ⁵ | 6.5 | 6.8 | 6 7.1 | 6 3.1 | 2 6.4 | 2 5.7 |
| Gross weekly..... | 6.2 | 6 4.1 | 6 6.9 | 6 5.8 | 2 7.3 | 2 5.5 |
| Spensible weekly ⁷ | 6 4.9 | 6 4.5 | 6 7.6 | 6 5.2 | 2 7.9 | 2 7.6 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁵ | .4 | 6 1.2 | 6 3.2 | 6 1.1 | 6 3.2 | 6 2.7 |
| Gross weekly..... | .1 | 6 -1.3 | 6 3.0 | 6 3.8 | 6 3.2 | 6 3.3 |
| Spensible weekly ⁷ | -1.1 | 6 -.9 | 6 3.7 | 6 3.2 | 6 3.9 | 6 4.1 |

¹ Not seasonally adjusted; data contain almost no seasonal movements.² Data through September 1972.³ Raw agricultural products are exempt from the price controls.⁴ Weekly index, not a component of WPI. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.⁵ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.⁶ Revised. New benchmark data.⁷ Gross weekly earnings, after taxes, for worker with 3 dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

Source: Bureau of Labor Statistics, Oct. 6, 1972.

MEASURES OF PRICE AND WAGE CHANGE BEFORE AND DURING THE PRICE-WAGE-RENT
STABILIZATION PROGRAM—Continued

2. QUARTERLY SERIES

[Seasonally adjusted percent change, compound annual rate]

| | IV—1968 IV—1969 | IV—1969 IV—1970 | IV—1970 II—1971 | Phase I II—1970 to IV—1971 | Phase II IV—1971 to II—1972 | Phases I and II—1971 to II—1972 |
|--|--------------------|--------------------|--------------------|----------------------------------|-----------------------------------|---------------------------------------|
| GNP price deflators: | | | | | | |
| Total..... | 5.3 | 5.3 | 5.1 | 2.0 | 3.5 | 2.8 |
| Private, fixed weights..... | 5.1 | 4.5 | 5.0 | 2.6 | 3.5 | 3.0 |
| Personal consumer expenditures, fixed weights..... | 5.0 | 4.3 | 4.5 | 2.4 | 3.1 | 2.8 |
| Private nonfarm: | | | | | | |
| Hourly compensation..... | 6.9 | 6.8 | 7.5 | 5.8 | 6.7 | 6.2 |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 4.7 | 4.4 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.9 | 1.7 |
| Unit nonlabor payments..... | - .6 | 6.0 | 7.2 | 1.0 | 4.3 | 2.6 |
| Price deflator..... | 4.8 | 5.2 | 4.3 | 1.4 | 2.7 | 2.0 |
| Real hourly compensation..... | 1.0 | 1.1 | 3.6 | 2.6 | 3.3 | 2.9 |
| Corporate nonfinancial: | | | | | | |
| Hourly compensation..... | 7.2 | 7.3 | 6.7 | 5.8 | 7.1 | 6.5 |
| Output per man-hour..... | 1.0 | 1.3 | 6.6 | 4.6 | 5.8 | 5.5 |
| Unit labor costs..... | 6.2 | 5.9 | .1 | 1.1 | .8 | 1.0 |
| Unit nonlabor costs..... | 7.9 | 10.1 | .8 | 6.0 | -1.3 | 2.3 |
| Unit profits..... | -20.1 | -15.2 | 42.7 | -10.5 | 19.4 | 3.3 |
| Price deflator..... | 2.8 | 4.5 | 3.8 | 1.0 | 2.0 | 1.5 |
| Real hourly compensation..... | 1.3 | 1.5 | 2.9 | 2.4 | 3.7 | 3.1 |
| Mean percentage adjustment, decisions reached during period | | | | | | |
| | 1969 | 1970 | I and II— 1971 | III and IV— 1971 | I and II—1972 | III—IV— 1971 I and and II—1972 |
| Negotiated wage changes, all industries: | | | | | | |
| Wages and benefits, 1st year..... | 10.9 | 13.1 | 10.9 | ¹ 14.6 | ¹ 8.6 | ¹ 12.9 |
| Wages, 1st year..... | 9.2 | 11.9 | 10.2 | ¹ 12.9 | ¹ 7.5 | ¹ 11.3 |

¹ Preliminary.

Source: Bureau of Labor Statistics, Sept. 15, 1972.

Mr. MOORE. Concerning the employment situation, the release that we have prepared presents the essential facts—

Chairman PROXMIRE. May I say, incidentally, that Congressman Conable very much wanted to remain here, he was here earlier, he stayed especially because he wanted to reassure you of his faith in your integrity and judgment and competence. He apologized that he had to leave, he had to catch a plane at the airport, and he had no alternative. But he was very sorry that he could not remain.

Mr. MOORE. Thank you very much.

As the release shows, the unemployment rate was 5.5 percent in September compared to 5.6 in August and 5.5 in both July and June.

Employment continued to rise both in terms of the household employment survey, where it rose by about 250,000, and in terms of the nonfarm payroll employment survey, where it showed a similar gain.

The average workweek, which is obtained from the payroll survey, also rose both for the total private nonfarm sector as a whole, and for manufacturing.

Among most of the groups covered by the unemployment report, the changes were relatively moderate. The jobless rate for household heads remained at 3.3 percent, and for married men it went up slightly from 2.6 percent to 2.8 percent between August and September.

We note that the jobless rate for blue-collar workers declined from 6.5 to 6.1 percent, which is the lowest level since May 1970.

On the other hand, for service workers the unemployment rate went up from 6.3 to 7.3 percent.

For construction workers, there was a decline from the 11.6 percent rate last month to 9.2 in September. The unemployment rate for workers that are covered by the State unemployment insurance programs remained at 3.4 percent, which is the lowest level it has reached since the beginning of this year, and a good deal lower than it was last year.

The veterans' unemployment rate also declined substantially in September. The September figure is 6.6 percent. The August figure was 7.7. A year ago it was as high as 9.8.

So I feel that there has been good progress in the employment situation for the Vietnam veterans.

The release also covers the hourly and weekly earnings. In terms of the hourly earnings index, which we think is the best measure of wage rate changes that we have at the moment on a monthly basis, that went up four-tenths of 1 percent in September compared with August, and it now stands at 5.7 percent above September a year ago.

That, of course, is considerably larger than the recent increase in consumer prices over a yearly period, which from August to August was 2.9 percent.

Weekly earnings also rose during the period from August to September, and now stands 7.1 percent above last September's level.

So there has been a sharper gain in weekly earnings than in hourly earnings due to the increasing length of the average workweek.

That is a very quick summary, Mr. Chairman, of the employment release. As you know, we released the wholesale price index yesterday. The overall index after seasonal adjustment showed an increase of three-tenths of 1 percent.

The industrial commodities index after seasonal adjustments showed an increase of two-tenths of 1 percent, and these are smaller increases in both cases than have occurred in recent months.

In the table that I have asked to be put in the record, which compares the rate of change in prices and wages during and before the stabilization program began in August of 1971, the new figures are for the wholesale price index, and for hourly and weekly earnings.

For wholesale prices, over the whole stabilization period, beginning in August a year ago and running through September, the total wholesale price index shows an annual rate of increase of 4.3 percent.

The industrial commodities part of it, an annual rate of increase of 2.9 percent.

For earnings over the same period—

Chairman PROXMIRE. May I interrupt at that point? Do you have the figures since phase II began?

Mr. MOORE. Yes. I will come to those. Over the same period of 13 months, the entire stabilization period, the hourly earnings index rose at the annual rate of 5.7 percent, and spendable weekly earnings rose at the annual rate of 7.6 percent.

Now, for the phase II period alone, omitting the period of the freeze last autumn, and taking the period just since November of 1971, the all commodities wholesale price index rose at the rate of 5.7 percent, the industrials part of it 4.8 percent, the difference being due to the acceleration in the farm products, processed foods and foods component, which rose during that period at a 10.4 percent annual rate.

For earnings, on the other hand, again looking only at the period of phase II, the annual rates of increase in hourly earning came to 6.4 percent, and for weekly earnings on a spendable after-tax basis, 7.9 percent.

In both cases, both hourly and weekly, the rates of increase during phase II have been substantially higher than the rate of increase in the consumer price index. Hence, real hourly and real weekly earnings have risen at something between a 3 and 4 percent annual rate.

That concludes my summary of the price, and wage picture as we see it at present.

Chairman PROXMIRE. Mr. Moore, why did you not give us the comparable periods when you gave us the changes in wholesale price index and CPI?

As I understand it, you gave us 10 months after the end of the freeze, and 8 months before the freeze began. Is that correct?

Mr. MOORE. In this table, yes, that is the way the table is constructed.

Chairman PROXMIRE. Why do we not get the same length of time in both cases?

Mr. MOORE. Our reasons for selecting this period were that it represents what was going on during 1971, the calendar year 1971, prior to the beginning of the stabilization program. As the table shows, we have the 2 preceding years, 1969 and 1970, in the preceding columns. So the third column in the table covers the period during 1971 prior to the freeze.

I have considered the possibility, in view of your suggestions on earlier occasions, of changing the period that we take prior to the freeze and making a comparison with that changing period, that is, to go back 8 months when we have an 8-month period since the freeze, go back 9 months when we have a period of 9 months since the freeze, and go back 10 months when we have a 10-month period, and so on.

It seems to me that that would be a confusing way to make this comparison, and I for one would not endorse that way of doing it.

Of course, anybody can use these figures that we publish in any way they like.

Chairman PROXMIRE. You may say it is confusing. It seems to me it is confusing not to do it. You are comparing apples and oranges otherwise.

I had the staff of this committee do it. Their figures may not be as precise as yours, but I think they are reasonably accurate. They show that 10 months before the freeze, before we had any controls, the wholesale price index went up 3.9 percent. In the 10 months of phase II, it went up 5.7 percent.

Now, there is a spectacular statistical difference. On that basis, one would conclude that phase II has been a failure with respect to wholesale prices. And I realize that there are lots of elements involved here, including the farm products, much of which is not included and which was the big component in the rise. But nevertheless, this would raise very serious questions about our present technique of controlling wholesale prices.

Unless you can get the same length of time in both cases, it would certainly look to most of us like some kind of distortion. I am sure it is not deliberate. I have great faith in your integrity. But, as I say, if you want to compare 10 months with 8 months, it just does not have the same ring of comparison as if you would compare 10 months with 10 months.

Mr. MOORE. Mr. Chairman, if you will look at my table you will see, if you go back to 1970, that there was a 2.2-percent annual rate of increase in the WPI during that year. So that is an even more dramatic comparison with what has been going on in the period since the freeze.

Chairman PROXMIRE. The only reason I suggested the 10 months is that it has been 10 months since phase II went into effect. Therefore, we have that 10-month period. It would seem logical to go back some months before the freeze.

Mr. MOORE. While it is true that you would be comparing 10 months with 10 months, the figures that you will be comparing it with will change every month, every time you make the comparison. And it would seem to me much easier for people to understand that there was a certain rate of increase in prices prior to the freeze, and not to keep changing that rate every time we had a new figure following the freeze.

Chairman PROXMIRE. Why not give us both?

I see your point, but I think it might be helpful to get both, since it is so easy to compile this at no extra cost. Would that be satisfactory?

Mr. MOORE. With all due respect, Mr. Chairman, I am going to stick to this form of the table, at least for another month.

Chairman PROXMIRE. All right, we will have our staff put it together.

One of the most fascinating aspects of this release—I think it is the first one we have had in which we have done this and I think it is most helpful—is that you break down what is the dramatic difference in the way unemployment has changed. There has been a real improvement in unemployment in blue collar jobs, you point out. In construction there was a drop. In manufacturing there was a drop in unemployment. But there was a rise at the same time in service jobs.

I do not recall this kind of counteraction before, and the differences are statistically very significant. There was a big drop, as I say, in the blue collar jobs, and a big rise in the unemployment in the service jobs.

How do you explain that? Is this something that may become a serious problem in our economy? Most of our statistics are geared in the direction of giving us judgments on the blue collar jobs, because that is where economic activity used to predominate—and I am talking about the indicators, and so on—and much less in the service area.

I would like very much to hear your judgment on this remarkable contradiction.

Mr. MOORE. May I ask you to turn to the chart that is attached to the press release?

Chart No. 9, which is toward the end, shows the unemployment rates for blue collar workers, which is the solid line at the top. As you can see, there has been a dramatic decline since early this year.

For service workers, which is the dashed line, the rate has been wiggling around at a level between 6 percent and 6½ percent, except for this last month of September, when it went to 7.3 percent.

Now, I am going to ask Mr. Kaitz if he has any special explanation for that jump in 1 month to 7.3 percent in that series, since it does seem to be a very different level than it has been for the last year or year and a half.

Do you have any explanation?

Mr. KAITZ. No. I am not sure there is any good explanation for it. I think it may be just a transitory phenomenon. It is statistically significant, this change, but I think it may very likely prove to be transitory.

If you will look back at the dotted line on that chart to some prior years, you will find a few sizable movements of that kind which have been reversed in subsequent months. And especially this past year it has had a quite sizable amount of irregularity. I am not sure at this point that one should attribute too much significance to it unless we get data for additional months and see what it shows.

Chairman PROXMIRE. I would like to follow that very closely, because I think it is a fascinating difference. It may just be a 1-month phenomenon. But we work so hard, the administration and the Congress, to try to provide more jobs, and we watched the manufacturing area, and we see an improvement there and, at the same time, we are slipping in the largest area and ending up with the same unemployment problem we have had in the last 4 months.

Mr. MOORE. Of course, Mr. Chairman, that category of service workers does not include all of the service industries that employ workers. They are in the sales workers group, the clerical workers, and so on. So it is not a very large group numerically. There were some 800,000 unemployed in September.

Chairman PROXMIRE. Apparently it is large enough to cancel out the gains that you have in the other categories. Overall, you are in the same slough of despond.

Mr. MOORE. It canceled out part of the gain, there is no question about that.

Chairman PROXMIRE. Since unemployment has been around five and a half or 5.6 percent of the last 4 months, to what do you attach the lack of any improvement?

We keep reading in the press that the indicators are improving, and we keep seeing new orders are up, and we keep seeing lots of indications that the economy should be moving ahead. Is it because the growth of employment has slowed down, or is it due to other reasons?

Mr. MOORE. I have not detected any particular slowdown in the growth of employment. In fact, it seems to me that is one of the very encouraging things in the report, that employment has continued to rise vigorously.

On the other hand, in the number of people seeking work—that is the unemployed—there has not been very much decline.

Under ordinary conditions, with the rate of increase in employment that we have been experiencing, I would have expected, and did expect and continue to expect, that there will be declines in unemployment, of which we have only seen a relatively small amount so far. But I have no special explanation for why this has been working out this way.

I do think, as I have said many times here, that it is vital to look at the employment side of the picture as well as the unemployment side, and if we had not been doing that continuously month after month, we would be, I think, a whole lot more discouraged about the economic situation than we have a right to be now, because employment has been rising in a very vigorous way.

Chairman PROXMIRE. How about looking at one other ingredient. You not only have the labor force growth, you also have the productivity. To the extent that the worker produces more, you can have an increase in production, and you can have an increase in economic activity, without having a corresponding increase in employment, and therefore a corresponding diminution in unemployment.

Has the productivity been improving at a substantial rate in the last 4 months?

Mr. MOORE. Productivity has been improving at a substantial rate in the past year or so. Overall, it is something like a four and a half percent rate increase.

In the corporate sector alone, which is of course a very large and important part of the economy, it has been rising at around five and a half percent rate. But I do not think of that as a deterrent to employment. In fact, the most vigorous increases in productivity have usually come at the exact same time that we have had vigorous increases in employment.

Chairman PROXMIRE. I am not deploring it, I enthusiastically applaud it. I think Senator Percy has done a fine job in stimulating activity in Congress and in this committee on production but I just think that might be one explanation of the statistics problem you have, with business activity increasing you not only have a growing labor force, you have a more productive labor force, and therefore you do not have a corresponding drop in unemployment.

Mr. MOORE. It is an explanation only if you think of an increase in productivity as a deterrent with respect to employing people, and as I see the picture in general, that is not the case.

Chairman PROXMIRE. Congressman Blackburn.

Representative BLACKBURN. Thank you, Mr. Chairman.

Chairman PROXMIRE. My time is up, but I will come back.

Representative BLACKBURN. Mr. Moore, Mr. Hauser testified earlier, and I believe you are acquainted with Mr. Hauser, from the University of Chicago—

Mr. MOORE. Yes, sir.

Representative BLACKBURN. In his paper, he makes this charge regarding the organization of your Bureau:

The placement within the Bureau of the Census of the five persons who are not inaccurately described as "political commissars" whose function it was to oversee statistical operations and analyses. In one flagrant situation the Assistant Chief of one of the Census divisions was peremptorily removed from his office for the convenience of the political functionary who was then provided with amenities not previously afforded the Assistant Division Chiefs.

Now, are you familiar with any political commissars in the Bureau of the Census?

MR. MOORE. No, sir; I am not personally familiar with that situation. Since I am in charge of the Bureau of Labor Statistics, I have not followed that as closely as I might otherwise have.

I would like to assure you, however, that there have been no political commissars appointed in the Bureau of Labor Statistics, and that is the organization that I am in charge of. There have been no such appointments in our organization.

Representative BLACKBURN. He also makes this statement in his paper:

The collapse of morale among statisticians in a number of agencies by reason of the "reign of terror" generated by the presence of political functionaries placed at the statistical operating and analytical levels; this, of course, was one reason for the premature retirement of many able career service statisticians.

Now, are you familiar with any "reign of terror" in your organization?

MR. MOORE. There has been no reign of terror in the Bureau of Labor Statistics whatsoever. I believe the morale in our organization is very good and very high, and I am aware of no repercussions such as this whatsoever.

Furthermore, the staff of the Committee in the Census and Statistics that recently investigated this entire subject had complete access to all members of the Bureau of Labor Statistics staff that they wished to interview, both present members and former members, former employees of the Bureau of Labor Statistics.

As I read the report that was issued yesterday by the committee, they found no morale problem in the Bureau of Labor Statistics, and they had all the opportunity that they could possibly have to find it if it were there.

Representative BLACKBURN. Were you present while Mr. Hauser was making his statement?

MR. MOORE. No, sir; I was not.

Representative BLACKBURN. I do not see the word "reprehensible" in his paper. Apparently he cleaned up his paper. But in his oral statement, he used the term "reprehensible" on several occasions.

Are you aware of any activities in your department that statistically could be called reprehensible?

MR. MOORE. No, sir; absolutely not.

Representative BLACKBURN. I wish I could have recorded the exact instances in which he used that phrase. It would be very intriguing because he says he does not disagree with you in any way.

Do you disagree with these statements I read to you about the reign of terror and the collapse of morale; do you disagree with him when he makes his statements?

MR. MOORE. I must certainly do so insofar as it seems to pertain to the Bureau of Labor Statistics. It is just not correct.

Chairman PROXMIRE. Will the Congressman yield?

Representative BLACKBURN. I will be happy to yield.

Chairman PROXMIRE. It is my understanding that Mr. Hauser at no time made the charge with respect to the Bureau of Labor Statistics. He was careful, it seems to me, in saying that if they were as careful about the commissars as Mr. Moore was, he would not be so worried.

I ask Mr. Hauser if that statement is correct.

Mr. HAUSER. That statement is correct, sir. I was not referring to the Bureau of Labor Statistics, but the Bureau of the Census. And I would repeat that the practice there is reprehensible, in case there is any doubt in the Congressman's mind.

Representative BLACKBURN. Then I suggest that we bring up some functionary from the Bureau of the Census, because we are being approached here with a very broad brush, which impresses me as being something unprofessional for a statistician. I would think that someone in that profession would be extremely accurate about his charges.

Now, we are in here talking about the Bureau of Labor Statistics. Why not bring in the whole Bureau of the Census and the Commerce Department, perhaps?

Mr. HAUSER. I think the Congressman is confused. I did not talk about the Bureau of Labor Statistics, I was talking about the Bureau of the Census, and these are two distinct Bureaus. I think they are confused in your mind, Mr. Congressman.

Representative BLACKBURN. No, I think you are confused, Mr. Hauser.

If you can say there are no differences between your opinion and that of Mr. Moore, and between your opinion and that of this subcommittee, or staff report, your conclusions are somewhat less than substantive.

I have no further questions. Thank you, Mr. Moore.

Chairman PROXMIRE. Senator Percy.

Senator PERCY. I welcome both Mr. Hauser from the University of Chicago, a great university, and Mr. Moore.

Chairman PROXMIRE. I might also note, Senator Percy, that one of our other witnesses is still here, Stanley Ruttenberg, whom I am sure you also know.

Senator PERCY. I am delighted that he is here.

I wonder in a general way, Commissioner Moore, if you could comment on statements that I have heard on the radio very recently in a speech by another Member of Congress who says that the way to avoid a tax increase is to put to work the 6 million people that are now unemployed. This has been repeated time after time, and I just heard it on the radio again going home the other night.

Could you comment on the accuracy of that, and the feasibility? How would we go about putting to work the 6 million people that he says are unemployed? How feasible would that be to avoid a tax increase and stimulate the economy?

You know as much about this field as anyone. I am left nonplussed. I would like to find an answer to that if I could.

Mr. MOORE. Let me make a few comments, but I will not comment on the feasibility of avoiding a tax increase. That is a policy matter, and I am determined to avoid it.

Senator PERCY. Let's limit it to putting the 6 million people, whom he said are unemployed, to work now. And this is as of the night before last.

Mr. MOORE. My first comment would be, there are not six million people unemployed at the present time. Our figure is 4.8 million, and it has been in the neighborhood of that level for a number of months.

Senator PERCY. Is that 4.7 or 4.8? It was 4.7, I believe, in September.

Mr. MOORE. Well, it depends on whether you look at it before seasonal adjustment or after. On an actual basis in terms of unadjusted figures, it is 4.7 million.

Chairman PROXMIRE. Would the Senator yield?

Senator PERCY. I would be glad to yield.

Chairman PROXMIRE. As I understand it, 4.8 million is the number of unemployed and, in addition, some people, rightly or wrongly, are included as unemployed equivalents, discouraged workers. That is another 800,000. It also includes the part-time unemployment for economic reasons, which might be the equivalent of another million and a half.

Mr. MOORE. The part-time unemployed—those who are employed part time for economic reasons—are employed, so they are working, although they may not be working as long hours as they would like to. But they do have a job.

In any case, we do not include in the unemployment category the people who are not actually seeking work, even though other people may have very many reasons for not seeking work. Of course, if you count all the people who are not working, you would get a great many more than 6 million, since only about 56 percent of the entire population 16 and over are actually at work at any one time.

Now, on the matter of putting 4.8 million—if that is the figure, as I believe it is—or 4.7 million, let's say, for unemployment at the present time, to work, I believe that would be not only impossible, but seriously damaging to the economy.

The reason is, there are always people who are seeking new jobs, and the reason they are seeking new jobs is that they have activities that they are now engaged in at home, they are acting as housewives at home, and they want to get in the labor force and find a paying job. They are changing their position, in other words. One thing we find in recent months is that the number of people who are quitting their jobs in order to presumably find a better one has been increasing. The quit rate in manufacturing industries is now a good deal higher than it was 12 months ago.

Senator PERCY. So when a politician implies that these people have been thrown out on the street by industry or business or commerce, that is really not factual?

Mr. MOORE. No, sir.

Senator PERCY. When I go to the Chrysler plant in Illinois and talk to them about their problems, they say their greatest problem is holding the people. The labor turnover in the Belvidere plant of the Chrysler works is 100 percent every 13 months. Very few of those are thrown out on the street. They are begging people to stay with them. They are begging people to come to work 5 days a week, as they have very high absenteeism on Monday and Friday. So I think it is a great distortion to imply that, first of all, there are 6 million people unemployed when there are only 4.7 million and also when many of those 4.7 million are voluntarily moving out of a job to get a better job. Is that correct?

Mr. MOORE. Yes, sir.

In fact, we record every month how many people are in those various groups, and the number who actually lost their jobs and are now seeking work is 1.7 million, 1.7 million in September. About 800,000 left their last job; that is, they voluntarily quit, and they are now looking for another job. The remainder have either never worked before and are looking for work, or have not worked recently and they are reentering the labor force.

Senator PERCY. I will ask Mr. Hauser if he would like to comment briefly on a couple of these questions. But perhaps I could just put a few more to Mr. Moore, because of the provocative nature of some of the statements that have been made.

In the charges that have been made and leveled against BLS, when press releases are put out generally, do you have the final say on them? Do you take full responsibility for them?

Mr. MOORE. Yes, sir; I take full responsibility for the Bureau of Labor Statistics press releases.

Senator PERCY. In your history with the Bureau, how many administrations have you served under?

Mr. MOORE. One.

Senator PERCY. Just one. Under this administration, have you received any political interference from your superiors? And if so, would you name when and where? And by political interference, I would like that interpreted just as broadly as it can be, anything that you feel would constitute a suggestion which I would say would be almost a direction, if it comes from a high enough authority, to change statistics.

I would like you to think back now, have you been told by anyone in this administration in any way how you should word your releases or how you should put them out? Have you been asked to change your own professional independent judgment, or are you the final authority, and do you accept final authority for those releases?

Mr. MOORE. My position with respect to that is this, that I will not put into any Bureau of Labor Statistics release any words that I think are politically motivated or suspect or that represent anything but the facts. Now, I do get suggestions from members of the Department of Labor Information Office from time to time, because they attend our sessions where we clear this press release. I do not regard them as political. In most cases, they clearly help to clarify the release and make it easier to understand. But if they are not accurate, I will not accept them.

The only thing that goes into these releases are the words that I accept.

Senator PERCY. There is not a Member of the House or Senate that does not have some degree of professional assistance with respect to news releases from people who know how to help word them, but that is quite a different thing than changing the content or redirecting it. There have been allegations that there has been politics involved in the Bureau of Labor Statistics by personnel changes that have occurred since you have become Commissioner.

Can you tell us how many politicians have been brought into the Bureau since you started serving as Commissioner, who do not have professional competence to be in the Bureau, but who would be considered political appointments or politicians?

Mr. MOORE. Absolutely none; there is not a single appointment of that kind.

Senator PERCY. Yesterday there was a news release by Congressman Wilson announcing the publication of the staff report on the investigation of possible politics in Federal statistics by the Subcommittee of Census and Statistics of the Committee on Post Office and Civil Service.

Do you feel the news release was representative of what was included in the record?

Mr. MOORE. No, sir; I do not. I read that release yesterday afternoon, and I must say I was astonished by the content of that release. I would go so far as to say, if the releases put out by the Bureau of Labor Statistics were as unrepresentative of the content of the report as that release was, your committee would have a great deal to complain about with respect to our releases.

In view of that, this morning I decided to put out a press release of my own, and it has been issued, and I have a copy of it here.

I would like, with your permission, to read it. The reason for my putting this out is that it seemed to me that the release put out by the committee simply did not state what had been investigated and what had been found. The purpose of the investigation was to investigate the politicalization of statistics. A half of one sentence in the release was not devoted to it.

So in my own release I have tried to summarize what I thought the committee found, and I would like, with your permission, to read that.

Senator PERCY. I am regretfully under a limited time, and I must leave immediately. Is it possible to put it in the record, make it available to the press, and summarize it in a sentence or two?

Mr. MOORE. Yes, sir; I can certainly put it in the record.

(The following information was subsequently supplied for the record:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-693, Oct. 6, 1972]

STATEMENT BY COMMISSIONER OF LABOR STATISTICS

Commissioner of Labor Statistics Geoffrey H. Moore today expressed satisfaction with the findings concerning the Bureau of Labor Statistics in the report issued October 5 by the House Subcommittee on Census and Statistics. Mr. Moore said that the report, titled "Investigation of Possible Politicization of Statistics of Federal Statistical Programs," supports the Bureau of Labor Statistics on every point that had been raised during the past years and a half. The Commissioner said he had welcomed the study by the Subcommittee staff and had given them complete freedom of access to BLS personnel and materials. He said he was pleased to note the report found:

1. That the discontinuance in March 1971 of press briefings by BLS technicians had not resulted in any loss of information to the public. In fact, reporters interviewed by the Subcommittee staff found that "without the briefings they were able to write their articles quicker principally because the press releases contained more descriptive material and tables."

2. That the temporary interruption of the BLS series on employment in poverty areas was "not only reasonable and rational but also precluded the publication of data which would be misleading."

3. That the changes proposed by BLS with regard to data on family budgets are "more in line with what a professional statistical agency should be concerned."

4. That personnel changes at BLS "have been minimal, are not out of line with the prerogatives of management, and have not been subjected to substantive political overtones."

5. That there was no evidence that the reorganization at BLS, following a directive issued by the Office of Management and Budget, "was politically moti-

vated or that the new organizational structure necessarily tends to make the output of the statistical agencies more susceptible to political manipulation."

6. That the 65 persons interviewed by the Subcommittee staff "were practically unanimous in the opinion that the gathering, assembling, and reporting of the statistical data was free of politics." This was based, the report stated, "on the high regard for the ability, integrity, and professionalism of the technicians concerned. No criticism was expressed concerning the reliability and validity of the statistical data."

Senator PERCY. I would certainly appreciate that, because I do want to give Mr. Hauser an opportunity to comment on it.

Mr. MOORE. It is a very short release, but I can summarize it by saying that it seemed to me that the report itself, issued by the House Subcommittee on Census and Statistics, supported the Bureau of Labor Statistics on every point that had been raised during the past year and a half. I go on in the release to say that I welcomed the study by the staff of the subcommittee, and have given them complete freedom of access to BLS personnel and materials.

Then I review very briefly what the chief findings of the subcommittee report were with respect to the Bureau of Labor Statistics, and quote from the findings themselves with respect to each of the points.

But in general, as far as the Bureau of Labor Statistics is concerned, I thought the committee had done a good job of investigating the questions that had been raised, and had answered in their best judgment the points that have been raised.

Senator PERCY. My last question—I would not want to underemphasize percent unemployment or 4.7 million unemployed people—but isn't there a float, a voluntary changing of positions that can account for a great many of those? But we know, certainly among certain categories, teenagers, blacks, that there is unconscionably large unemployment, and I can take East St. Louis as an area where we simply know we have to do something to help find jobs for people there.

I believe, though, in the absence of adequate jobs in the private sector, that the continuation of the policy of offering public service employment opportunities to people, such as in the bills that I have supported, and I am sure that Senator Proxmire has supported and the President ultimately decided to support—is a feasible way as any to offer employment opportunities to a number of people.

I would like to see a half million public service jobs. I think we have authorized 227,000. But from your judgment, is that a feasible way to go about trying to help out those who are most anxious for work, who have some degree of skill, and would be on welfare if they were not employed usefully somehow by a municipality, a hospital, or something of that sort? Do you favor using the Government as an employer of last resource?

Mr. MOORE. Well, Senator Percy, I have scrupulously avoided at these hearings taking a position on policy matters.

Senator PERCY. Let's stay with your policy then.

Mr. MOORE. I do not believe that is a proper function for the Commissioner of Labor Statistics. While I do have very definite personal views on the subject that you raise, I do not believe I should express myself as Commissioner of Labor Statistics on that point.

Senator PERCY. Because of your tremendous knowledge in this field, could your personal views be transmitted to me in a classified manner, or as a CIA briefing, or would you permit me to use you as an author-

ity in the next session of Congress when this might come up again—it would not be up this year—so that I can back up my views.

Chairman PROXMIRE. Twenty-five years from now when the Commissioner leaves office, he will let you know what his views are.

Senator PERCY. I am asking the Commissioner, can he cooperate, but use me as a conduit? Sometimes even Mr. Kissinger uses some of us as a conduit.

Mr. MOORE. I would be very glad to cooperate with you and consult with you personally. It is a matter of making public statements on this matter.

Senator PERCY. I would really value your observations, because we really want to work on that unemployment level. But I just think it is grossly irresponsible for a Member of Congress to be publicly stating that the way to solve this whole problem is to put those 6 million unemployed people to work when we know there are not 6 million people that can be classified as unemployed. They are not all out of work, and they are not all employable actually.

I thank you very much indeed.

And with the indulgence of the chairman, I would yield to Mr. Hauser to make any comments that he might wish to make if he feels any are necessary at this point.

Mr. HAUSER. Senator, I appreciate the opportunity. I will make a very brief observation.

In view of the treatment I have received from Congressman Blackburn and his impugning of my own professional integrity—which I am inclined to discount, because he has an obligation to his party and his political situation in this city, so I would not pay too much attention to it—I would like to make some observations simply to clarify the record.

I have listed 12 items in the paper I gave before the American Statistical Association in Montreal on August 15 which I described as smoke, proposing that there be an investigation to see whether there is fire. I have added two more in my testimony this morning before you came in, Senator. So there are 14 points. Only one of them refers to the Bureau of Labor Statistics.

That one, of which the chairman of the committee questioned me, led me to observe that because of my knowledge as an insider—I served as a member of the Statistical Policy Committee, the Office of Management and Budget—that both of these things, the cancellation of the press conference by Mr. Goldstein and the reorganization of the Bureau of Labor Statistics, were in process long before this particular episode which resulted in the assistant commissioner as a technician giving one interpretation of the data and the Secretary of Labor giving one in conflict with it, after which these events occurred.

Now, as I indicated in my testimony, this best can be described as kind of a clumsy way of dealing with the matter by the administration, and what I have learned since would lead me to agree with Commissioner Moore's description of that situation.

I had set it down in my paper as one of the 14 things now which I think raise questions about the politicizing of statistics.

Beyond that, the only other thing I would like to say is that I think there is enough evidence to warrant what is now going on. That is there is a committee of the American Statistical Association operating

jointly with a committee of the Federal Statistical Users Conference looking into the situation. There are other professional associations, the American Economics Association, the American Sociological Association, the Population Association of America, the newly appointed committee of the National Academy of Science and Statistics, of which, incidentally, my colleague, Professor Kruskal of the University of Chicago, is chairman. All these organizations are looking into the situation.

I would close by simply suggesting that this committee would be well advised to follow the activities of those organizations or agencies interested in protecting the integrity of Federal statistics. I would say that, despite what we have heard from Congressman Blackburn, nothing has emerged here this morning that would, first, indicate that I disagreed with anything that Commissioner Moore has said about the problem situations to which reference has been made. I might have interpreted some of the data a little differently and I would have added other things—not that anything he said was wrong, but I think there are other elements which might have been put in, part of which the chairman of the committee provided, on the wholesale price index, for example.

Second, that there is nothing that I have heard yet that challenges any of these other 13 of the 14 points which I made, only one of which referred to the Bureau of Labor Statistics.

Chairman PROXMIRE. If the Senator would yield on that point, let me just say that Mr. Hauser did say this before you came in; he said:

On the basis of my own experience with Government statistics I know of no administration in which some zealous politician or politically minded press relations "eager beaver" did not, at some point, try to impair the integrity of statistical reports; but never have I witnessed as widespread and insistent efforts to politicize the statistical enterprise.

That is about as emphatic and clear an indictment of the administration politicizing and distorting statistics as I have heard, and that is the reason why I think this committee should look into it.

Senator PERCY. I wonder when I hear the statistics if the opposition party isn't just green with envy. Sometimes there are some practical politics exerted by members of the other party, and the shoe is on the other foot for a while. But I would never bring politics into these bipartisan-nonpartisan hearings, and you notice that I did not even mention the fact as to who it was that has been making these outrageous charges in Congress.

Thank you very much, Mr. Chairman, and Commissioner. I am delighted to see you, and I look forward very much to our personal conversation together on the subject. I would really value your judgment on this subject.

And Mr. Hauser, your difference of opinion on some of these matters—we still have a few differences of opinion—

Chairman PROXMIRE. Let me just say, Mr. Hauser, I am sure you do not want to give the impression that you think it would be all right for any administration to politicize its statistics. Sure we have different political views. I make no excuse for that at all. I am proud of it. And I think as long as we have a vigorous committee that it will continue to be that way.

I thought Congressman Blackburn contributed a great deal this morning. I disagree with his attacks on Mr. Hauser, but by and large he brought out some excellent points.

There is nothing wrong with partisanship, but when you get into the statistics and begin to prevent the experts from making a dispassionate, objective, nonpartisan interpretation of the statistics as they come out, then you are in trouble. Then you are going to get policies which I think are likely to be very mistaken.

Senator PERCY. I agree completely. We ought to have the raw material as clean as we can, and then we can interpret as we see fit.

But I think the hearing has been very helpful.

Mr. HAUSER. I have a very gruesome confession to make before I leave, and my confession is that, despite the way in which I have been interpreted this morning by some of your eminent colleagues, I do intend to vote for Senator Percy.

Senator PERCY. That is a nonpartisan comment. I think you very much.

Chairman PROXMIRE. I am not quite through. Commissioner Moore. I would like to ask you, will you please comment on the accuracy of this statement:

Unemployment is down to teenage blacks, welfare mothers, and folks of that kind, people who cannot hold jobs.

Mr. MOORE. Unemployment is down—

Chairman PROXMIRE. "Unemployment is down to teenage blacks, welfare mothers, and folks of that kind, people who cannot hold jobs."

What is your comment on that kind of a statement? Is that statement accurate? I am not asking you for any policy judgment, I am asking you for your response, as one who knows as much about unemployment as anybody in this Nation.

Mr. MOORE. I am a little bit puzzled as to exactly what the statement means. Does it mean that unemployment has been reduced for those groups?

Chairman PROXMIRE. No, unemployment—those who are unemployed—let me quote again:

Unemployment is down to teenage blacks, welfare mothers, and folks of that kind, people who cannot hold jobs.

That is the sum and substance of the unemployment problem in America today.

Mr. MOORE. You mean that it is restricted to those groups, or limited to those groups?

Chairman PROXMIRE. Correct.

Mr. MOORE. Well, I would say "No," that is not correct. There are unemployed people apart from those that are in those categories.

Chairman PROXMIRE. The reason I raise that point is that that statement is made by John Ehrlichman. John Ehrlichman is not only a very important functionary, but, as Senator Abraham Ribicoff who knows what he is talking about in this area says, he is the man who in his judgment is running the economy of the United States from the standpoint of the President of the United States—and Senator Ribicoff said this was the experience when he was working under President Kennedy—the President is just too busy to get into these things. He is very involved in military policy, foreign policy, ceremonial occasions of various kinds, and he has to delegate authority. He said the cabinet

officers clear things with Ehrlichman, he is in effect their boss on economic matters. Whether that is right or wrong, that is the situation.

Now, when we have a man with that tremendous power who makes this kind of a statement that you, as Commissioner of Labor Statistics, has just told us is not true, is not accurate, it seems to me we have an unfortunate situation.

Mr. MOORE. Well, it is obvious, it seems to me, that Mr. Ehrlichman was not thinking about the group that I just mentioned in response to Senator Percy; namely, that there are people who quit their jobs and become unemployed in order to find another job.

Chairman PROXMIRE. He also does not understand the fact that we have about 50 percent more married men who are unemployed than we had 4 years ago, that we have a much higher proportion of the heads of the household who are women who are unemployed than we had at that time.

If you take almost any category, the number of unemployed is higher than it was, substantially higher, 30, 40, 50, or 60 or 70 percent, than it was in 1969; is that not correct?

Mr. MOORE. That is true, with respect to 1969. But let me make an observation on a longer run prospective than that.

Recently I have been looking at the situation as it was in 1955, when, as you may recall, we had a relatively prosperous economic situation. We were in a peacetime situation, whereas in 1969 we clearly were not. That year, 1955, was selected by the Council of Economic Advisers in the early sixties as a relatively full employment year, and their estimate of the full employment GNP took off from that base of 1955.

Well, one of the things that you find out, if you make a comparison of the employment situation now with the employment situation then, is that for the men in the age group beyond 25 years of age there are fewer that are unemployed now than were unemployed then, even though the number of employed and the total population of men 25 years and older is very much larger than it was then. That is one of the things you find. There are fewer unemployed in that adult male group now than that full employment year.

On the other hand, what you find when you look at the other age—

Chairman PROXMIRE. What was the unemployment level in 1955?

Mr. MOORE. For the year as a whole, it was 4.4 percent.

Chairman PROXMIRE. That is not the full employment that the administration keeps saying is—

Mr. MOORE. That year, in the middle of that year it was approximately 4 percent, and that was the base that the Council of Economic Advisers in the early sixties selected as the base for the full employment GNP.

Chairman PROXMIRE. Are you saying that in the middle of the year there were fewer, or a larger proportion of people over 25 who were unemployed than there is now?

Mr. MOORE. Not only was there a smaller proportion of men over 25 unemployed—

Chairman PROXMIRE. I think I confused you, Mr. Commissioner. At that point you say there was a larger proportion of unemployed over 25 than there is today?

Mr. MOORE. Yes, in the earlier year there was a larger proportion of unemployed, and a larger number of unemployed, than there is today.

Chairman PROXMIRE. When unemployment was down to 4.4?

Mr. MOORE. And the overall unemployment rate was down to 4.4 percent, but still there were larger numbers, and a larger percentage, of men over 25 unemployed than is true today.

Chairman PROXMIRE. This is most interesting. You are saying, then, that the administration target of 4 percent is unrealistic—I do not want to put words in your mouth, but this seems to be the implication of this, that maybe four and a half, or perhaps even a higher percent, would be more realistic, and—

Mr. MOORE. I am not saying anything about the target, the full employment target, or anything like that. What I am trying to do is point out that there have been important changes over this period in the composition of the labor force. And for one very large and important group, the situation now is better than it was in that relatively full employment year.

Now, let me go on to say that for the other groups, which are the teenagers, the women, and the young men in the 20- to 24-year-old bracket, the unemployment rates now are higher than they were then. Of course, there has been a tremendous increase in their numbers, much larger than in the case of the men 25 years old or older. So in the groups that have increased very rapidly in the population, the teenagers and young men are among those groups, and in the group where the labor force participation has increased very rapidly; namely, women, there have been increases in their employment, very sharp increases, but also increases in their unemployment. So the situation currently for those groups is worse than it was in 1955, despite the fact that there has been a very large increase in the employment of each of those groups.

Chairman PROXMIRE. It would be very interesting to be able to compare the skills, the education, the training, the employability, of women and teenagers now with the adult men who are employed in 1955. I suspect that they are better trained now, more skilled, more employable. If not, the terrific increase in education since then, the great emphasis on manpower training, has just not been effective.

It seems to me we cannot properly explain this unless there is great discrimination in our society, greater than I have seen, against teenagers and women, on the ground that we have more people who are in a different sex category or different age category. These people are employable as perhaps never before in our society, in view of the great efforts we have made to train them; is that not correct?

Mr. MOORE. I absolutely agree. I think they are more employable, and part of the point is that they are more fully employed in terms of their population.

Chairman PROXMIRE. I thought you said that the unemployment was higher now among women and teenagers.

Mr. MOORE. The unemployment rate is higher, but the employment relative to the population of these groups is also higher, that is, a larger percentage of the population of women and of young men and of teenagers is employed today than was employed in 1955. But the unemployment rate has increased, because we measure that as the ratio of unemployment to labor force, and not to population.

Chairman PROXMIRE. We still come down to the fact that we have

not done a good job, Congress, the administration, or whatever, in helping our economy to provide the jobs that we need to keep our manpower resources occupied, and we have continued to drift along with this 5½ percent unemployment month after month now for 4 months.

Mr. MOORE. What I see in this long record is that the economy—and it is not any administration but the economy—has put to work the very large numbers of women and teenagers and young men that increased their size and proportion in the labor force very materially over this long period.

There has been simply a transformation of the economy to provide jobs for those groups that were not in the population and not in the labor force before.

While you may think that that has not been an adequate change, it nevertheless has been a very large and dramatic change in and of itself.

Chairman PROXMIRE. Well, of course the problem is that we do have heavy unemployment, people would like work and they do not have it. We do not have our resources fully occupied. We are doing a relatively inadequate job as compared to every other industrial country in the world except Canada, which is almost completely dependent on our economy.

For nearly 2 years now we have had more than 5½ percent unemployment, and in country after country the average is less than 2 percent unemployment. So that we do have a most serious kind of a problem.

I get the feeling that the concern not only of many people in office, but the concern of American people—the Yankovitch and the Gallup polls indicate this—is no longer with unemployment, it is now with inflation.

Only 13 percent of the people, according to one poll, indicated that they were concerned with unemployment. The explanation given for this was because when unemployment was rising, people were concerned that it might encompass them. Now that it has stabilized, or fallen a little bit, even though it is close to the same level, they are not included, so they have lost interest.

So it is no longer the kind of hot political issue that it was a couple of years ago, in the 1970 election, for example.

Mr. MOORE. I can make two comments on that, Mr. Chairman.

One is that I think one thing that has worked to change people's view is the increase in employment, that is, a much larger number of people have jobs now than a year ago.

Second, that to some extent this is by no means the full explanation of the unemployment situation. To some extent people seek jobs when there are jobs, and this trend that I spoke of before, between 1955 and today, I think illustrates that basic fact, that the groups that grew in the population, the women, the teenagers, and the young men, grew very rapidly, and were employed in very much larger numbers.

The increases in their employment were extremely large over this whole period. Also, they were seeking work as well. You had an increase in the number who were seeking work, together with the rapid increases in the number who were at work.

To some extent one draws in the other. Now, this does not by any means mean that there are no people who have become unemployed because they are thrown out of work, but there are groups of people who are induced to seek work, and hence they are counted as being unemployed, because of the opportunities that they find.

Chairman PROXMIRE. Commissioner Moore, I want to thank you very, very much. This is the last hearing—not the last hearing before the election, because we will have one more on the Friday just before the election—but I have a feeling that the statistics that we discussed this morning are likely to be the ones that will be most politicized in the sense that they will be the most discussed and the most concern to us politicians. So I am looking forward in the future to perhaps a little less tense and less partisan and less political enlightenment. And I am glad that you are going to continue, I hope you are, to give us your interpretation of the unemployment statistics each month as they come along. They are most valuable.

The committee will stand adjourned.

(Whereupon, at 12:25 p.m., the committee adjourned, to reconvene at the call of the Chair.)

CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, NOVEMBER 3, 1972

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 1 p.m., in room 1202, Dirksen Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senator Proxmire.

Also present: John R. Stark, executive director; Loughlin F. McHugh, senior economist; Richard F. Kaufman and Courtenay M. Slater, economists; Lucy A. Falcone, research economist; George D. Krumbhaar, Jr., and Walter B. Laessig, minority counsels.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

Today the Joint Economic Committee holds its 20th monthly hearing on the employment and unemployment statistics. After 4 years of the Nixon administration's stewardship of the economy, a review of its performance on unemployment is appropriate today. In the roughly first 2 years of this administration the unemployment rate rose 2 percentage points—from 3.4 percent in January 1969, to 5.5 percent in October 1970, reflecting the dramatic deterioration of economic conditions.

In the last half of the 4-year term, from October 1970, to October 1972, unemployment has shown little change. True, the rate rose from 5.5 to 6.1 percent in 1971 and then dropped back to 5.5 percent this year; but for the last 2 years there has been a virtual stagnation in the unemployment situation in spite of the elaborate new economic program that was announced with great fanfare more than a year ago. As far as unemployment is concerned, we are no better off today than we were exactly 2 years ago.

Furthermore, now that we have one more month's evidence, the prediction of the chairman of the Council of Economic Advisers that we will have unemployment down to the neighborhood of 5 percent by the end of the year seems more and more improbable.

Now I would like to also add, in view of the statements by the President's principal economic adviser a couple of hours ago, that for the President's principal economic adviser to treat the disastrous October rate of 5.5 percent unemployment as good news is not only ridiculous but heartless and cruel, as well.

To refer to the news that 4.8 million Americans are out of work in words such as "another strong month," "declining burden of un-

employment" and "especially satisfying" is to bring George Orwell's world of "double-think" and "news-speak" into being in November 1972, instead of January 1984.

The continued high rate of unemployment is the signal economic failure of the Nixon administration. It has been both unable and unwilling to attack this problem.

We are at the end of the year when the administration predicted that unemployment would be in the zone of 5 percent; but unemployment still continues at the excessively high level of 5.5 percent. For 2 whole years, since October 1970, unemployment has been at the 5.5 percent level or higher.

What is worse, the administration now refuses to designate even the level of 4 percent as its interim goal for unemployment and in testimony before my committee, administration spokesmen could cite no specific plans, proposals, or policies to reduce unemployment to acceptable levels.

Not only has unemployment risen from the 3.4 percent level when the administration took office, but worse is the fact that under the lack of policies to reduce it, the rate has stagnated at the 5.5 to 6.0 percent level first for month after month and now for year after year.

Finally, if the administration continues to carry out its proposed fiscal and monetary policies, the unemployment problem will get worse.

The nature and quality of the proposed administration spending means fewer jobs. Specifically, they are raising military spending where few jobs per dollar of expenditure are created and deemphasizing education where there is a high rate of jobs for each dollar spent.

If these policies are continued, it means an even higher level of unemployment next year; and on an issue which we have discussed, Mr. Moore, before this committee a number of times it seems that—where we did have a situation in prior administrations where the technicians released the figures at the Bureau of Labor Statistics on unemployment, we now have a situation where they are released by the politicians at the White House, accompanied with a release by the chairman of the Council of Economic Advisers giving his partisan, political position right with the release as it is handed out.

On the price side, we do have a far more encouraging situation. The statistics that were released yesterday, although very small increase in wholesale price in October, comes after a year of unusually strong, historically high increases in the wholesale price index, nevertheless was encouraging, certainly the best news we have had from that quarter in some time.

Commissioner Moore, in your opening remarks I trust that you will discuss the developments in wholesale prices this month as well as give us your usual presentation on the employment situation. You have indicated to me that you have got some tables that you would like included in the record. I think they are most helpful and as you refer to them in the course of your remarks I will be happy to have them printed in full in the record.

Go right ahead.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY JEROME A. MARK, ASSISTANT COMMISSIONER FOR PRODUCTIVITY AND TECHNOLOGY; HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; JOEL POPKIN, ASSISTANT COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND NORMAN SAMUELS, ASSISTANT COMMISSIONER FOR WAGES AND INDUSTRIAL RELATIONS

Mr. MOORE. Thank you, Mr. Chairman.

I would first like to remark on your statement that the Bureau of Labor Statistics is not releasing its figures but the White House is. The fact is that the Bureau of Labor Statistics is releasing the statistics. We do it in our written press release and there is in effect—and it was introduced during this administration—a 1-hour rule which separates the commentary by policymaking officials from the release of the figures themselves. I believe Mr. Stein followed that rule today—

Chairman PROXMIRE. That is correct.

Mr. MOORE (continuing). As well as on previous occasions.

Chairman PROXMIRE. I just had my television set on in my office on the news; I wanted to see whether this would be given attention and the news that was released was right down the line that Mr. Herbert Stein, the Chairman of the Council of Economic Advisers, disclosed such and such about the unemployment figures. He said it was encouraging; he said we were moving ahead strongly and so on; and I think it is clear when it comes from a man of his stature and his position in the administration that it tends to dwarf the actual press release from the Bureau of Labor Statistics, particularly in view of the fact there is no longer a press conference there and that the reporters simply pick up a piece of paper and that is it.

Mr. MOORE. Well, as I say, we released our figures at 9:30 this morning and Mr. Stein's press conference, I believe, was at 11, so it was separated from the release of the figures and the release, as we have written it, is a Bureau of Labor Statistics release.

Chairman PROXMIRE. That is right. The only press conference that is held, however, is the press conference at the White House by the Chairman of the Council of Economic Advisers. That is the only interpretation which is made available to the press except your appearance before this committee, isn't that correct?

Mr. MOORE. That is the only personal appearance but what we say on our written release is what we stand back of and I consider that to be the release of the figures from the statistical agency.

With your permission, Mr. Chairman, I would like to put in the record, as we usually have, the employment situation release and the wholesale price index release which we released yesterday, as well as the review of productivity, wages and prices, which we released also today.

Chairman PROXMIRE. Yes, without objection they will be printed in full in the record.

Mr. MOORE. In addition, as you remarked, I have two tables with me and if you don't mind, I would like to have them inserted in the record as well.

Chairman PROXMIRE. They will be printed in full.

Mr. MOORE. One covers the measures of price, wage and productivity changes before and during the economic stabilization program and the other brings together some data on the pace of the current economic expansion covering not only employment and unemployment but also other indicators as well.

(The above-described five items follow:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-763, Nov. 3, 1972]

THE EMPLOYMENT SITUATION: OCTOBER 1972

Employment continued to rise in October, while unemployment remained unchanged, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The October jobless rate, at 5.5 percent, was at about the same level as in the previous 4 months, following a decline from a level of around 6 percent last year and early this year.

Total employment increased by 260,000 in October (seasonally adjusted), continuing the steady rise that began in 1971. Nonfarm payroll employment also rose substantially between September and October.

UNEMPLOYMENT

After seasonal adjustment, both the level and rate of unemployment remained unchanged between September and October, at 4.8 million and 5.5 percent, respectively. The actual number of jobless persons moved down 200,000 (to 4.5 million), but this decline was in line with the usual movement between these two months.

Unemployment rates for most of the major demographic groups showed little or no change over the month. Specifically, the jobless rates for adult men (3.9 percent), adult women (5.5 percent), whites (5.0 percent), Negroes (10.1 percent), household heads (3.4 percent), and married men (2.8 percent) were essentially the same as in September. The rate for teenagers, however, declined from 16.5 to 15.3 percent. Compared with a year ago, unemployment rates were down moderately for adult men, married men, teenagers, and white workers, while rates remained at about the same levels for household heads, adult women, and Negroes.

Jobless rates were also basically unchanged between September and October for most other major labor force categories, including full-time workers, part-time workers, State insured workers, white- and blue-collar workers, and workers in nearly every major industry group. There were two exceptions to this pattern: the rate for workers in service occupations dropped back to the August level, and the rate for workers in the construction industry rose from 9.2 to 10.6 percent. The rate for factory workers was about unchanged, at 5.0 percent, but has fallen well below its 1971 average at 6.8 percent, largely because of a decline in unemployment in durable goods manufacturing.

The average (mean) duration of unemployment was 11.6 weeks in October (seasonally adjusted), down from 12.2 weeks in September.

Although the overall level of joblessness remained stable in October, there was a 180,000 reduction (seasonally adjusted) in the number of unemployed workers who had lost their last job. This brought the job-loser total down to a level of 1.9 million, the lowest in over 2 years. Compared with a year ago, unemployment of job losers has declined by 260,000, this being partially offset by an increase among persons who quit their last job and began looking for another one. Job losers now comprise 41 percent of the total unemployed, down from 45 percent last October.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | October 1972 | September 1972 | August 1972 | 3d quarter 1972 | 2d quarter 1972 | 1st quarter 1972 | 4th quarter 1971 | 3d quarter 1971 |
|--|--------------|----------------|-------------|-----------------|-----------------|------------------|------------------|-----------------|
| Civilian labor force ¹ (millions of persons)..... | 87.3 | 87.0 | 86.9 | 86.8 | 86.4 | 85.9 | 85.0 | 84.2 |
| Total employment ¹ | 82.5 | 82.2 | 82.0 | 82.0 | 81.4 | 80.8 | 80.0 | 79.2 |
| Adult men..... | 47.3 | 47.2 | 47.1 | 47.1 | 46.7 | 46.4 | 46.1 | 45.9 |
| Adult women..... | 28.3 | 28.3 | 28.3 | 28.2 | 27.9 | 27.9 | 27.5 | 27.1 |
| Teenagers..... | 6.9 | 6.7 | 6.6 | 6.6 | 6.8 | 6.6 | 6.3 | 6.2 |
| Unemployment..... | 4.8 | 4.8 | 4.9 | 4.8 | 5.0 | 5.0 | 5.0 | 5.0 |
| Unemployment rates (percent of labor force): | | | | | | | | |
| All workers..... | 5.5 | 5.5 | 5.6 | 5.6 | 5.7 | 5.8 | 5.9 | 6.0 |
| Adult men..... | 3.9 | 3.8 | 3.9 | 3.9 | 4.2 | 4.1 | 4.3 | 4.4 |
| Adult women..... | 5.5 | 5.4 | 5.5 | 5.6 | 5.6 | 5.3 | 5.7 | 5.7 |
| Teenagers..... | 15.3 | 16.5 | 16.9 | 16.1 | 15.8 | 18.2 | 16.9 | 16.8 |
| White..... | 5.0 | 5.0 | 5.1 | 5.0 | 5.3 | 5.3 | 5.4 | 5.5 |
| Negro and other races..... | 10.1 | 10.2 | 9.7 | 9.9 | 9.9 | 10.6 | 10.1 | 10.1 |
| Household heads..... | 3.4 | 3.3 | 3.3 | 3.3 | 3.5 | 3.4 | 3.6 | 3.7 |
| Married men..... | 2.8 | 2.8 | 2.6 | 2.7 | 2.9 | 2.9 | 3.2 | 3.2 |
| Full-time workers..... | 5.0 | 5.0 | 5.1 | 5.1 | 5.3 | 5.4 | 5.6 | 5.5 |
| State insured ⁴ | 3.3 | 3.4 | 3.4 | 3.5 | 3.6 | 3.5 | 4.2 | 4.2 |
| Average duration of unemployment (weeks)..... | 11.6 | 12.2 | 12.1 | 12.0 | 12.8 | 12.2 | 11.9 | 11.7 |
| Nonfarm payroll employment (millions of persons)..... | * 73.5 | * 73.2 | 73.0 | * 72.3 | 72.5 | 71.8 | 71.1 | 70.6 |
| Goods-producing industries..... | * 23.3 | * 23.2 | 23.1 | * 23.1 | 23.0 | 22.7 | 22.6 | 22.5 |
| Service-producing industries..... | * 50.2 | * 50.1 | 50.0 | * 49.9 | 49.5 | 49.0 | 48.5 | 48.2 |
| Average weekly hours (hours of work): | | | | | | | | |
| Total private nonfarm..... | * 37.3 | * 37.3 | 37.2 | * 37.2 | 37.1 | 37.1 | 37.1 | 36.9 |
| Manufacturing..... | * 40.7 | * 40.7 | 40.6 | * 40.5 | 40.7 | 40.3 | 40.1 | 39.8 |
| Manufacturing overtime..... | * 3.5 | * 3.6 | 3.5 | * 3.5 | 3.4 | 3.1 | 3.0 | 2.9 |
| Hourly Earnings Index, private nonfarm (1967 = 100): | | | | | | | | |
| In current dollars..... | * 140.2 | * 139.2 | 138.3 | * 138.4 | 136.8 | 135.0 | 132.4 | 130.8 |
| In constant dollars..... | (*) | * 110.3 | 110.1 | * 110.1 | 109.8 | 109.0 | 107.9 | 107.2 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

* For calculation of this rate, see table A-3, footnote 2.

³ Preliminary.

⁴ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

CIVILIAN LABOR FORCE AND TOTAL EMPLOYMENT

Total employment rose more than seasonally expected between September and October and, after seasonal adjustment, was up by 260,000 to 82.5 million. This increase occurred among full-time jobholders, whose employment level advanced by 600,000 over the month, while part-time employment declined. This situation was in marked contrast to developments over the previous several months when employment gains had been concentrated among part-time workers.

Since last October, total employment has increased by over 2.3 million (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972). Adult men accounted for almost 1.1 million of this increase, adult women for 700,000, and teenagers for more than 500,000.

The civilian labor force grew to 87.3 million in October (seasonally adjusted), reflecting the over-the-month rise in the number of persons holding jobs. The labor force has increased by 800,000 persons during the past 3 months, compared to only about 200,000 during the preceding 3-month period (April to July). Since last October, the increase was 2.2 million.

VIETNAM ERA VETERANS

The unemployment rate for veterans 20 to 29 years of age was 6.4 percent (seasonally adjusted) in October, about the same as the nonveteran rate (6.6 percent). (See table A-7.) The veterans' jobless rate has dropped in stages throughout 1972—from over 8 percent in the first 5 months to about 7½ percent from June through August and then to about 6½ percent in September and October.

While most of the reduction in the veterans' unemployment rate reflects an improved job situation, some is due to a shift in their age composition. Since early this year, the number of young men leaving military service has slowed considerably, and a large proportion of veterans are now in the older ages (25-29) where the unemployment rate is lower, reflecting a longer period since their discharge from the service and the consequent increase in their labor market experience. In fact, the number of veterans aged 30 to 34 is also increasing. In October 1972, their population numbered 775,000 or 13 percent of all Vietnam Era veterans. Their unemployment rate in October was only 2.7 percent (not seasonally adjusted), virtually the same as that for 30-34 year-old nonveterans.

INDUSTRY PAYROLL EMPLOYMENT

Nonagricultural payroll employment posted another substantial gain in October, rising 300,000 (seasonally adjusted) to 73.5 million. Since October a year ago, nonfarm employment has risen 2.7 million.

An increase of 125,000 in the number of goods-producing jobs occurred entirely in the manufacturing industries, the bulk of it in the durable goods industries. Since October 1971, manufacturing employment has increased by 650,000. Over the previous 2 years (October 1969-October 1971), in contrast, the number of factory jobs had declined nearly 1.8 million.

In the service-producing industries, payroll employment advanced 175,000 in October, reflecting sizeable increases in trade, services, and State and local government.

HOURS OF WORK

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls was unchanged in October at 37.3 hours, seasonally adjusted. Since last October, the average workweek has increased three-tenths of an hour.

In manufacturing, the workweek remained at 40.7 hours. After rising steadily from the 9-year low reached in September 1970, the factory workweek has been stable since June. Average overtime in manufacturing, 3.5 hours in October, also has shown little change in recent months but was up six-tenths of an hour from a year ago.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of rank-and-file workers on private nonagricultural payrolls were about unchanged in October at \$3.73. On a seasonally adjusted basis, earnings were up 3 cents to \$3.72. Since last October, hourly earnings have increased 23 cents or 6.6 percent.

Average weekly earnings were unchanged over the month at \$139.13. After seasonal adjustment, however, weekly earnings rose \$1.12 to \$138.76. Since October a year ago, average weekly earnings have risen \$9.63 or 7.4 percent. During the latest 12-month period for which the Consumer Price Index is available—September 1971 to September 1972—consumer prices rose 3.3 percent.

HOURLY EARNINGS INDEX

The Bureau's Hourly Earnings Index, seasonally adjusted, was 140.2 (1967=100) in October, 0.8 percent higher than in September, according to preliminary figures. The index was 6.4 percent above October a year ago. (See table B-4.) All industries posted over-the-year increases, ranging from 5.1 percent in contract construction to 10.2 percent in transportation and public utilities. During the 12-month period ending in September, the Hourly Earnings Index in dollars of constant purchasing power rose 2.5 percent.

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

NOTE.—Figures for periods prior to January 1972 in the tables and charts are not strictly comparable with current data because of the introduction of 1970 Census data into the estimation procedures. For example, the civilian labor force and employment totals were raised by more than 300,000 as a result of the census adjustment. An explanation of the changes and an indication of the differences appear in "Revisions in the Current Population Survey" in the February 1972 issue of *Employment and Earnings*.

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

[In thousands]

| Employment status, age, and sex | Seasonally adjusted | | | | | | | |
|--|---------------------|----------------|--------------|--------------|----------------|-------------|-----------|-----------|
| | October 1972 | September 1972 | October 1971 | October 1972 | September 1972 | August 1972 | July 1972 | June 1972 |
| TOTAL | | | | | | | | |
| Total labor force..... | 89,591 | 89,098 | 87,352 | 89,691 | 89,454 | 89,256 | 88,855 | 88,788 |
| Civilian labor force..... | 87,176 | 86,693 | 84,635 | 87,276 | 87,049 | 86,860 | 86,467 | 86,395 |
| Employed..... | 82,707 | 82,034 | 80,065 | 8,2482 | 82,222 | 81,973 | 81,682 | 81,667 |
| Agriculture..... | 3,721 | 3,658 | 3,470 | 3,660 | 3,575 | 3,625 | 3,445 | 3,337 |
| Nonagricultural industries..... | 78,986 | 78,376 | 76,595 | 78,822 | 78,647 | 78,348 | 78,237 | 78,330 |
| On part time for economic reasons..... | 2,066 | 2,243 | 2,246 | 2,302 | 2,340 | 2,488 | 2,509 | 2,521 |
| Usually work full time..... | 980 | 1,017 | 1,080 | 1,041 | 1,058 | 1,082 | 1,085 | 1,022 |
| Usually work part time..... | 1,086 | 1,136 | 1,166 | 1,261 | 1,282 | 1,406 | 1,424 | 1,499 |
| Unemployed..... | 4,470 | 4,658 | 4,570 | 4,794 | 4,827 | 4,887 | 4,785 | 4,728 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 49,075 | 49,083 | 48,003 | 49,227 | 49,083 | 48,954 | 48,961 | 48,882 |
| Employed..... | 47,431 | 47,480 | 46,247 | 47,303 | 47,204 | 47,063 | 47,032 | 46,919 |
| Agriculture..... | 2,703 | 2,682 | 2,531 | 2,663 | 2,629 | 2,550 | 2,474 | 2,437 |
| Nonagricultural industries..... | 44,729 | 44,798 | 43,717 | 44,640 | 44,575 | 44,513 | 44,558 | 44,482 |
| Unemployed..... | 1,643 | 1,603 | 1,775 | 1,924 | 1,879 | 1,891 | 1,929 | 1,963 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 30,744 | 30,028 | 29,540 | 29,958 | 29,915 | 29,990 | 29,789 | 29,657 |
| Employed..... | 28,752 | 28,231 | 27,886 | 28,322 | 28,296 | 28,334 | 28,078 | 28,029 |
| Agriculture..... | 645 | 606 | 595 | 575 | 561 | 604 | 556 | 496 |
| Nonagricultural industries..... | 28,108 | 27,624 | 27,291 | 27,747 | 27,735 | 27,730 | 27,522 | 27,533 |
| Unemployed..... | 1,680 | 1,797 | 1,654 | 1,636 | 1,619 | 1,656 | 1,711 | 1,628 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 7,669 | 7,582 | 7,093 | 8,091 | 8,051 | 7,916 | 7,717 | 7,856 |
| Employed..... | 6,523 | 6,324 | 5,932 | 6,857 | 6,722 | 6,576 | 6,572 | 6,719 |
| Agriculture..... | 373 | 370 | 344 | 422 | 385 | 471 | 415 | 404 |
| Nonagricultural industries..... | 6,150 | 5,953 | 5,588 | 6,435 | 6,337 | 6,150 | 6,157 | 6,315 |
| Unemployed..... | 1,146 | 1,258 | 1,161 | 1,234 | 1,329 | 1,340 | 1,145 | 1,137 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE BY SEX AND AGE

[Numbers in thousands]

| Full- and part-time employment status, sex, and age | Seasonally adjusted | | | | | | | |
|---|---------------------|--------------|--------------|----------------|-------------|-----------|-----------|--------------|
| | October 1972 | October 1971 | October 1972 | September 1972 | August 1972 | July 1972 | June 1972 | October 1971 |
| FULL TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 73,885 | 71,685 | 74,805 | 74,195 | 74,201 | 74,218 | 74,333 | 72,550 |
| Employed..... | 70,652 | 68,299 | 71,085 | 70,482 | 70,423 | 70,437 | 70,643 | 68,643 |
| Unemployed..... | 3,233 | 3,386 | 3,720 | 3,713 | 3,778 | 3,781 | 3,690 | 3,907 |
| Unemployment rate..... | 4.4 | 4.7 | 5.0 | 5.0 | 5.1 | 5.1 | 5.0 | 5.4 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 46,527 | 45,479 | 46,788 | 46,573 | 46,539 | 46,588 | 46,504 | 45,766 |
| Employed..... | 45,060 | 43,892 | 45,015 | 44,859 | 44,801 | 44,821 | 44,745 | 43,848 |
| Unemployed..... | 1,466 | 1,586 | 1,773 | 1,714 | 1,738 | 1,767 | 1,759 | 1,918 |
| Unemployment rate..... | 3.2 | 3.5 | 3.8 | 3.7 | 3.7 | 3.8 | 3.8 | 4.2 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 23,695 | 22,949 | 23,475 | 23,322 | 23,433 | 23,477 | 23,483 | 22,735 |
| Employed..... | 22,430 | 21,679 | 22,208 | 20,067 | 22,119 | 22,093 | 22,180 | 21,464 |
| Unemployed..... | 1,266 | 1,270 | 1,267 | 1,255 | 1,314 | 1,384 | 1,303 | 1,271 |
| Unemployment rate..... | 5.3 | 5.5 | 5.4 | 5.4 | 5.6 | 5.9 | 5.5 | 5.6 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 13,292 | 12,950 | 12,506 | 12,983 | 12,759 | 12,208 | 11,867 | 12,190 |
| Employed..... | 12,054 | 11,766 | 11,427 | 11,866 | 11,630 | 11,211 | 10,825 | 11,158 |
| Unemployed..... | 1,237 | 1,184 | 1,079 | 1,117 | 1,129 | 997 | 1,042 | 1,032 |
| Unemployment rate..... | 9.3 | 9.1 | 8.6 | 8.6 | 8.8 | 8.2 | 8.8 | 8.5 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

(Persons 16 years and over)

| Selected categories | Thousands of persons unemployed | | Seasonally adjusted rates of unemployment | | | | | |
|--|--|--------------|---|----------------|-------------|-----------|-----------|--------------|
| | October 1972 | October 1971 | October 1972 | September 1972 | August 1972 | July 1972 | June 1972 | October 1971 |
| | Total (all civilian workers) | 4, 470 | 4, 570 | 5. 5 | 5. 5 | 5. 6 | 5. 5 | 5. 5 | 5. 8 |
| Men, 20 years and over | 1, 643 | 1, 755 | 3. 9 | 3. 8 | 3. 9 | 3. 9 | 4. 0 | 4. 3 |
| Women, 20 years and over | 1, 680 | 1, 654 | 5. 5 | 5. 4 | 5. 5 | 5. 7 | 5. 5 | 5. 5 |
| Both sexes, 16 to 19 years | 1, 146 | 1, 161 | 15. 3 | 16. 5 | 16. 9 | 14. 8 | 14. 5 | 16. 7 |
| White | 3, 573 | 3, 674 | 5. 0 | 5. 0 | 5. 1 | 5. 0 | 5. 0 | 5. 3 |
| Negro and other races | 897 | 895 | 10. 1 | 10. 2 | 9. 7 | 9. 9 | 9. 4 | 10. 4 |
| Household heads | 1, 506 | 1, 527 | 3. 4 | 3. 3 | 3. 3 | 3. 3 | 3. 6 | 3. 5 |
| Married men | 919 | 968 | 2. 8 | 2. 8 | 2. 6 | 2. 7 | 2. 9 | 3. 0 |
| Full-time workers | 3, 233 | 3, 386 | 5. 0 | 5. 0 | 5. 1 | 5. 1 | 5. 0 | 5. 4 |
| Part-time workers | 1, 237 | 1, 184 | 8. 6 | 8. 6 | 8. 8 | 8. 2 | 8. 8 | 8. 5 |
| Unemployed 15 weeks and over ¹ | 965 | 1, 104 | 1. 3 | 1. 3 | 1. 4 | 1. 3 | 1. 3 | 1. 5 |
| State insured ² | 1, 367 | 1, 724 | 3. 3 | 3. 4 | 3. 4 | 3. 8 | 3. 6 | 4. 4 |
| Labor force time lost ³ | | | 6. 0 | 5. 9 | 6. 2 | 6. 0 | 5. 5 | 6. 5 |
| OCCUPATION ⁴ | | | | | | | | |
| White-collar workers | 1, 462 | 1, 383 | 3. 6 | 3. 3 | 3. 5 | 3. 4 | 3. 1 | 3. 4 |
| Professional and technical | 293 | 316 | 2. 8 | 2. 2 | 2. 4 | 2. 5 | 1. 9 | 3. 1 |
| Managers and administrators, except farm | 168 | 150 | 2. 1 | 1. 7 | 1. 8 | 1. 9 | 1. 4 | 1. 7 |
| Sales workers | 239 | 208 | 4. 2 | 4. 7 | 4. 8 | 4. 3 | 4. 0 | 3. 9 |
| Clerical workers | 762 | 709 | 4. 8 | 4. 7 | 4. 9 | 4. 6 | 4. 8 | 4. 7 |
| Blue-collar workers | 1, 601 | 1, 824 | 5. 9 | 6. 1 | 6. 5 | 6. 4 | 6. 4 | 7. 1 |
| Craftsmen and kindred workers | 383 | 426 | 4. 0 | 4. 2 | 4. 4 | 4. 3 | 4. 5 | 4. 7 |
| Operatives | 839 | 989 | 6. 4 | 6. 4 | 6. 7 | 7. 1 | 6. 8 | 7. 8 |
| Nonfarm laborers | 379 | 427 | 9. 2 | 9. 6 | 10. 9 | 9. 3 | 9. 5 | 10. 6 |
| Service workers | 707 | 673 | 6. 2 | 7. 3 | 6. 3 | 6. 6 | 5. 7 | 6. 0 |
| Farm workers | 92 | 54 | 3. 1 | 2. 9 | 2. 7 | 2. 2 | 2. 6 | 1. 9 |
| INDUSTRY ⁴ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁵ | 3, 256 | 3, 374 | 5. 6 | 5. 6 | 5. 8 | 5. 8 | 5. 5 | 5. 9 |
| Construction | 328 | 301 | 10. 6 | 9. 2 | 11. 6 | 10. 9 | 9. 5 | 10. 2 |
| Manufacturing | 979 | 1, 199 | 5. 0 | 5. 1 | 5. 4 | 5. 7 | 5. 6 | 6. 2 |
| Durable goods | 505 | 727 | 4. 5 | 4. 8 | 5. 0 | 5. 7 | 5. 7 | 6. 4 |
| Nondurable goods | 474 | 472 | 5. 8 | 5. 5 | 6. 0 | 5. 6 | 5. 5 | 5. 8 |
| Transportation and public utilities | 137 | 166 | 3. 5 | 3. 7 | 3. 8 | 3. 6 | 3. 1 | 4. 3 |
| Wholesale and retail trade | 926 | 865 | 6. 4 | 6. 7 | 6. 6 | 6. 5 | 6. 5 | 6. 1 |
| Finance and service industries | 867 | 824 | 4. 9 | 4. 7 | 4. 7 | 4. 6 | 4. 2 | 4. 9 |
| Government workers | 416 | 403 | 3. 2 | 3. 2 | 3. 0 | 2. 8 | 2. 5 | 3. 2 |
| Agricultural wage and salary workers | 111 | 75 | 9. 6 | 8. 9 | 6. 5 | 6. 0 | 7. 5 | 7. 0 |

¹ Unemployment rate calculated as a percent of civilian labor force.² Insured unemployment under State programs—unemployment rate calculated as a percent of average covered employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.³ Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.⁴ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.⁵ Includes mining, not shown separately.

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work, October 1972 | Seasonally adjusted unemployment rates | | | | | |
|---------------------------------|-------------------------------|--------------|--|--|----------------|-------------|-----------|-----------|--------------|
| | October 1972 | October 1971 | | October 1972 | September 1972 | August 1972 | July 1972 | June 1972 | October 1971 |
| | Total, 16 years and over..... | 4,470 | | 4,570 | 72.3 | 5.5 | 5.6 | 5.6 | 5.5 | 5.5 | 5.8 |
| 16 to 19 years..... | 1,146 | 1,161 | 43.7 | 15.3 | 16.5 | 16.9 | 14.8 | 14.5 | 16.7 |
| 16 and 17 years..... | 551 | 561 | 25.4 | 18.3 | 19.9 | 20.5 | 16.5 | 16.5 | 19.9 |
| 18 and 19 years..... | 595 | 599 | 60.7 | 13.2 | 14.1 | 14.0 | 13.5 | 12.9 | 14.5 |
| 20 to 24 years..... | 1,076 | 1,008 | 83.6 | 9.1 | 9.1 | 9.0 | 9.8 | 8.7 | 9.2 |
| 25 years and over..... | 2,247 | 2,401 | 81.5 | 3.6 | 3.5 | 3.6 | 3.7 | 3.9 | 4.0 |
| 25 to 54 years..... | 1,790 | 2,016 | 83.7 | 3.7 | 3.7 | 3.7 | 3.8 | 4.0 | 4.3 |
| 55 years and over..... | 458 | 385 | 72.7 | 3.5 | 3.1 | 3.7 | 3.4 | 3.6 | 3.0 |
| Males, 16 years and over..... | 2,227 | 2,391 | 77.2 | 4.8 | 4.9 | 4.9 | 4.7 | 4.8 | 5.3 |
| 16 to 19 years..... | 584 | 635 | 43.3 | 14.1 | 15.9 | 16.5 | 13.6 | 13.8 | 16.5 |
| 16 and 17 years..... | 299 | 333 | 24.7 | 17.5 | 20.8 | 20.0 | 14.6 | 15.4 | 20.3 |
| 18 and 19 years..... | 285 | 302 | 62.5 | 11.7 | 12.3 | 13.2 | 12.8 | 12.4 | 13.7 |
| 20 to 24 years..... | 542 | 549 | 83.4 | 8.9 | 8.6 | 8.5 | 9.6 | 8.3 | 9.7 |
| 25 years and over..... | 1,101 | 1,207 | 92.2 | 3.1 | 3.0 | 3.1 | 3.0 | 3.3 | 3.5 |
| 25 to 54 years..... | 814 | 975 | 95.5 | 3.0 | 3.0 | 3.0 | 3.0 | 3.3 | 3.7 |
| 55 years and over..... | 287 | 231 | 82.9 | 3.6 | 3.3 | 3.4 | 3.1 | 3.5 | 2.9 |
| Females, 16 years and over..... | 2,243 | 2,179 | 67.5 | 6.6 | 6.7 | 6.8 | 6.9 | 6.5 | 6.7 |
| 16 to 19 years..... | 563 | 526 | 44.0 | 16.7 | 17.3 | 17.5 | 16.4 | 15.4 | 17.0 |
| 16 and 17 years..... | 253 | 229 | 26.1 | 19.3 | 18.6 | 21.3 | 18.9 | 18.1 | 19.2 |
| 18 and 19 years..... | 310 | 297 | 59.0 | 15.0 | 16.3 | 14.9 | 14.4 | 13.5 | 15.6 |
| 20 to 24 years..... | 534 | 459 | 83.9 | 9.5 | 9.6 | 9.5 | 10.1 | 9.2 | 8.6 |
| 25 years and over..... | 1,146 | 1,195 | 71.3 | 4.5 | 4.5 | 4.6 | 4.8 | 4.8 | 4.9 |
| 25 to 54 years..... | 974 | 1,041 | 74.1 | 4.8 | 4.9 | 4.8 | 5.1 | 5.1 | 5.3 |
| 55 years and over..... | 171 | 154 | 55.6 | 3.4 | 2.9 | 4.3 | 4.0 | 3.8 | 3.3 |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

[Numbers in thousands]

| Employment status | October 1972 | September 1972 | October 1971 | Seasonally adjusted | | | | | |
|---|--------------|----------------|--------------|---------------------|----------------|-------------|-----------|-----------|--------------|
| | | | | October 1972 | September 1972 | August 1972 | July 1972 | June 1972 | October 1971 |
| VETERANS¹ | | | | | | | | | |
| Total 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² ----- | 4,624 | 4,596 | 4,252 | 4,624 | 4,596 | 4,574 | 4,551 | 4,529 | 4,252 |
| Civilian labor force----- | 4,281 | 4,283 | 3,876 | 4,308 | 4,288 | 4,233 | 4,206 | 4,183 | 3,910 |
| Employed----- | 4,045 | 4,043 | 3,606 | 4,032 | 4,003 | 3,905 | 3,898 | 3,881 | 3,598 |
| Unemployed----- | 236 | 240 | 208 | 276 | 285 | 328 | 308 | 302 | 312 |
| Unemployment rate.... | 5.5 | 5.6 | 7.0 | 6.4 | 6.6 | 7.7 | 7.3 | 7.2 | 8.0 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² ----- | 1,885 | 1,897 | 1,991 | 1,885 | 1,897 | 1,913 | 1,928 | 1,943 | 1,991 |
| Civilian labor force----- | 1,678 | 1,713 | 1,774 | 1,692 | 1,720 | 1,739 | 1,745 | 1,775 | 1,790 |
| Employed----- | 1,541 | 1,574 | 1,606 | 1,550 | 1,566 | 1,521 | 1,559 | 1,600 | 1,616 |
| Unemployed----- | 137 | 139 | 168 | 142 | 154 | 218 | 186 | 175 | 174 |
| Unemployment rate.... | 8.2 | 8.1 | 9.5 | 8.4 | 9.0 | 12.5 | 10.7 | 9.9 | 9.7 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² ----- | 2,739 | 2,699 | 2,261 | 2,739 | 2,699 | 2,661 | 2,623 | 2,586 | 2,261 |
| Civilian labor force----- | 2,603 | 2,570 | 2,102 | 2,616 | 2,568 | 2,494 | 2,461 | 2,408 | 2,120 |
| Employed----- | 2,504 | 2,469 | 2,000 | 2,482 | 2,437 | 2,384 | 2,339 | 2,281 | 1,982 |
| Unemployed----- | 99 | 101 | 102 | 134 | 131 | 110 | 122 | 127 | 138 |
| Unemployment rate.... | 3.8 | 3.9 | 4.9 | 5.1 | 5.1 | 4.4 | 5.0 | 5.3 | 6.5 |
| NONVETERANS | | | | | | | | | |
| Total 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² ----- | 10,209 | 10,155 | 9,515 | 10,209 | 10,155 | 10,121 | 10,085 | 10,036 | 9,515 |
| Civilian labor force----- | 8,862 | 8,841 | 8,159 | 8,994 | 8,800 | 8,729 | 8,715 | 8,677 | 8,284 |
| Employed----- | 8,331 | 8,305 | 7,621 | 8,400 | 8,262 | 8,187 | 8,149 | 8,110 | 7,680 |
| Unemployed----- | 531 | 536 | 538 | 594 | 538 | 542 | 566 | 567 | 604 |
| Unemployment rate.... | 6.0 | 6.1 | 6.6 | 6.6 | 6.1 | 6.2 | 6.5 | 6.5 | 7.3 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² ----- | 6,194 | 6,140 | 5,592 | 6,194 | 6,140 | 6,113 | 6,086 | 6,065 | 5,592 |
| Civilian labor force----- | 5,053 | 5,041 | 4,436 | 5,175 | 5,006 | 4,923 | 4,909 | 4,904 | 4,546 |
| Employed----- | 4,648 | 4,642 | 4,055 | 4,728 | 4,614 | 4,524 | 4,485 | 4,512 | 4,125 |
| Unemployed----- | 405 | 399 | 381 | 447 | 392 | 399 | 424 | 392 | 421 |
| Unemployment rate.... | 8.0 | 7.9 | 8.6 | 8.6 | 7.8 | 8.1 | 8.6 | 8.0 | 9.3 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² ----- | 4,015 | 4,015 | 3,923 | 4,015 | 4,015 | 4,008 | 3,999 | 3,971 | 3,923 |
| Civilian labor force----- | 3,809 | 3,800 | 3,723 | 3,819 | 3,794 | 3,806 | 3,806 | 3,773 | 3,738 |
| Employed----- | 3,683 | 3,663 | 3,566 | 3,672 | 3,648 | 3,663 | 3,664 | 3,598 | 3,555 |
| Unemployed----- | 126 | 137 | 157 | 147 | 146 | 143 | 142 | 175 | 183 |
| Unemployment rate.... | 3.3 | 3.6 | 4.2 | 3.8 | 3.8 | 3.8 | 3.7 | 4.6 | 4.9 |

¹ Vietnam era veterans are those who served after Aug. 4, 1964; they are all classified as war veterans. 79 percent of the Vietnam era veterans of all ages are 20 to 29 years old. Post Korean-peace-time veterans 20 to 29 years old are not included in this table.

² Since seasonal variations are not present in the population figures, identical numbers appear in the unadjusted and seasonally adjusted columns.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

[In thousands]

| Industry | Change from | | | | | Seasonally adjusted | | | Change from September 1972 | |
|---------------------------------------|------------------------------|--------------------------------|----------------|-----------------|-------------------|---------------------|------------------------------|--------------------------------|----------------------------------|----------------|
| | October 1972 ¹ | September 1972 ¹ | August 1972 | October 1971 | September 1972 | October 1971 | October 1972 ¹ | September 1972 ¹ | | August 1972 |
| Total..... | 74,064.0 | 73,569.0 | 72,975.0 | 71,378.0 | 495.0 | 2,686.0 | 73,535 | 73,232 | 72,984 | 303 |
| Goods-producing..... | 23,648.0 | 23,674.0 | 23,601.0 | 22,839.0 | -26.0 | 809.0 | 23,296 | 23,169 | 23,076 | 127 |
| Mining..... | 605.0 | 612.0 | 616.0 | 520.0 | -7.0 | 85.0 | 606 | 605 | 602 | 1 |
| Contract construction..... | 3,760.0 | 3,781.0 | 3,838.0 | 3,684.0 | -21.0 | 76.0 | 3,547 | 3,547 | 3,544 | 0 |
| Manufacturing..... | 19,283.0 | 19,281.0 | 19,147.0 | 18,635.0 | 2.0 | 648.0 | 19,143 | 19,017 | 18,930 | 126 |
| Production workers..... | 14,165.0 | 14,159.0 | 14,023.0 | 13,569.0 | 6.0 | 596.0 | 14,021 | 13,910 | 13,846 | 111 |
| Durable goods..... | 11,104.0 | 11,060.0 | 10,930.0 | 10,586.0 | 44.0 | 518.0 | 11,064 | 10,958 | 10,897 | 106 |
| Production workers..... | 8,122.0 | 8,082.0 | 7,953.0 | 7,642.0 | 40.0 | 480.0 | 8,078 | 7,989 | 7,942 | 89 |
| Ordnance and accessories..... | 196.8 | 193.7 | 191.7 | 187.2 | 3.1 | 9.6 | 197 | 192 | 192 | 5 |
| Lumber and wood products..... | 622.3 | 624.6 | 632.9 | 603.4 | -2.3 | 18.9 | 615 | 613 | 613 | 2 |
| Furniture and fixtures..... | 512.7 | 502.2 | 500.8 | 472.0 | 10.5 | 40.7 | 507 | 499 | 497 | 8 |
| Stone, clay, and glass products..... | 676.7 | 676.6 | 679.9 | 643.3 | .1 | 33.4 | 670 | 663 | 663 | 7 |
| Primary metal industries..... | 1,255.5 | 1,253.9 | 1,243.5 | 1,168.7 | 1.6 | 86.8 | 1,280 | 1,267 | 1,236 | 13 |
| Fabricated metal products..... | 1,394.9 | 1,389.5 | 1,376.0 | 1,344.3 | 5.4 | 50.6 | 1,384 | 1,378 | 1,376 | 6 |
| Machinery, except electrical..... | 1,885.0 | 1,873.0 | 1,856.9 | 1,789.3 | 12.0 | 95.7 | 1,900 | 1,875 | 1,868 | 25 |
| Electrical equipment..... | 1,863.6 | 1,858.5 | 1,833.9 | 1,780.5 | 5.1 | 83.1 | 1,856 | 1,840 | 1,830 | 16 |
| Transportation equipment..... | 1,778.8 | 1,781.0 | 1,714.7 | 1,726.9 | -2.2 | 51.9 | 1,759 | 1,742 | 1,736 | 17 |
| Instruments and related products..... | 467.9 | 464.4 | 462.2 | 441.1 | 3.5 | 26.8 | 463 | 463 | 460 | 4 |
| Miscellaneous manufacturing..... | 449.9 | 442.7 | 437.6 | 428.8 | 7.2 | 21.1 | 429 | 426 | 426 | 3 |

| | | | | | | | | | | |
|--|----------|----------|----------|----------|-------|---------|--------|--------|--------|-----|
| Nondurable goods..... | 8,179.0 | 8,221.0 | 8,217.0 | 8,049.0 | -42.0 | 130.0 | 8,079 | 8,059 | 8,033 | 20 |
| Production workers..... | 6,043.0 | 6,077.0 | 6,070.0 | 5,927.0 | -34.0 | 116.0 | 5,943 | 5,921 | 5,904 | 22 |
| Food and kindred products..... | 1,817.0 | 1,870.1 | 1,870.4 | 1,809.6 | -53.1 | 7.4 | 1,744 | 1,746 | 1,738 | -2 |
| Tobacco manufactures..... | 76.3 | 78.4 | 77.7 | 83.8 | -2.1 | -7.5 | 66 | 66 | 70 | 0 |
| Textile mill products..... | 1,002.8 | 996.6 | 996.6 | 960.9 | 6.2 | 41.9 | 1,002 | 994 | 992 | 8 |
| Apparel and other textile products..... | 1,351.3 | 1,348.6 | 1,344.5 | 1,350.6 | 2.7 | 7 | 1,337 | 1,335 | 1,334 | 2 |
| Paper and allied products..... | 705.1 | 704.9 | 705.8 | 687.8 | 2 | 17.3 | 707 | 702 | 699 | 5 |
| Printing and publishing..... | 1,086.4 | 1,080.6 | 1,078.0 | 1,070.7 | 5.8 | 15.7 | 1,084 | 1,083 | 1,079 | 1 |
| Chemicals and allied products..... | 1,004.5 | 1,007.9 | 1,006.7 | 999.2 | -3.4 | 5.3 | 1,008 | 1,007 | 997 | 1 |
| Petroleum and coal products..... | 189.6 | 190.1 | 193.4 | 191.3 | -5 | -1.7 | 189 | 188 | 188 | 1 |
| Rubber and plastics products, nec..... | 645.5 | 638.6 | 631.0 | 596.4 | 6.9 | 49.1 | 641 | 632 | 629 | 9 |
| Leather and leather products..... | 300.3 | 305.5 | 312.5 | 298.6 | -5.2 | 1.7 | 301 | 306 | 307 | -5 |
| Service-producing..... | 50,416.0 | 49,895.0 | 49,374.0 | 48,539.0 | 521.0 | 1,877.0 | 50,239 | 50,063 | 49,908 | 176 |
| Transportation and public utilities..... | 4,520.0 | 4,538.0 | 4,527.0 | 4,415.0 | -18.0 | 105.0 | 4,511 | 4,489 | 4,478 | 22 |
| Wholesale and retail trade..... | 15,901.0 | 15,765.0 | 15,691.0 | 15,300.0 | 136.0 | 601.0 | 15,849 | 15,785 | 15,758 | 64 |
| Wholesale trade..... | 3,983.0 | 3,961.0 | 3,974.0 | 3,849.0 | 22.0 | 134.0 | 3,955 | 3,945 | 3,935 | 10 |
| Retail trade..... | 11,918.0 | 11,804.0 | 11,717.0 | 11,451.0 | 114.0 | 467.0 | 11,894 | 11,840 | 11,823 | 54 |
| Finance, insurance, and real estate..... | 3,952.0 | 3,956.0 | 3,995.0 | 3,823.0 | -4.0 | 129.0 | 3,964 | 3,952 | 3,936 | 12 |
| Services..... | 12,448.0 | 12,408.0 | 12,481.0 | 11,963.0 | 40.0 | 485.0 | 12,436 | 12,396 | 12,419 | 40 |
| Government..... | 13,595.0 | 13,228.0 | 12,680.0 | 13,038.0 | 367.0 | 557.0 | 13,479 | 13,441 | 13,317 | 38 |
| Federal..... | 2,633.0 | 2,639.0 | 2,644.0 | 2,659.0 | -6.0 | -26.0 | 2,636 | 2,636 | 2,618 | 0 |
| State and local..... | 10,962.0 | 10,589.0 | 10,036.0 | 10,379.0 | 373.0 | 583.0 | 10,843 | 10,805 | 10,699 | 38 |

¹ Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | October 1972 ² | September 1972 ² | August 1972 | Change from | | | Seasonally adjusted | | | Change from September 1972 |
|---------------------------------------|------------------------------|--------------------------------|----------------|-----------------|-------------------|-----------------|------------------------------|--------------------------------|----------------|----------------------------------|
| | | | | October 1971 | September 1972 | October 1971 | October 1972 ² | September 1972 ² | August 1972 | |
| Total private..... | 37.3 | 37.4 | 37.6 | 37.0 | -0.1 | 0.3 | 37.3 | 37.3 | 37.1 | 0 |
| Mining..... | 42.5 | 42.9 | 42.7 | 42.8 | -.4 | -.3 | 42.2 | 42.9 | 42.5 | -.7 |
| Contract construction..... | 38.3 | 38.2 | 38.2 | 38.2 | .1 | .1 | 37.7 | 37.1 | 37.1 | .6 |
| Manufacturing..... | 40.8 | 40.9 | 40.6 | 40.0 | -.1 | .8 | 40.7 | 40.7 | 40.6 | .0 |
| Overtime hours..... | 3.7 | 3.9 | 3.6 | 3.1 | -.2 | .6 | 3.5 | 3.6 | 3.5 | -.1 |
| Durable goods..... | 41.5 | 41.6 | 41.1 | 40.5 | -.1 | 1.0 | 41.4 | 41.3 | 41.3 | .1 |
| Overtime hours..... | 3.9 | 4.1 | 3.6 | 3.0 | -.2 | .9 | 3.7 | 3.8 | 3.6 | -.1 |
| Ordnance and accessories..... | 41.6 | 42.0 | 42.6 | 41.7 | -.4 | -.1 | 41.6 | 41.9 | 42.7 | -.3 |
| Lumber and wood products..... | 41.0 | 41.6 | 41.4 | 41.0 | -.6 | 0 | 40.7 | 41.4 | 41.2 | -.7 |
| Furniture and fixtures..... | 41.2 | 41.0 | 41.0 | 40.4 | .2 | .8 | 40.6 | 40.5 | 40.5 | .1 |
| Stone, clay, and glass products..... | 42.4 | 42.3 | 42.4 | 42.2 | .1 | .2 | 42.1 | 41.8 | 41.9 | .3 |
| Primary metal industries..... | 42.1 | 42.0 | 41.5 | 39.7 | .1 | 2.4 | 42.7 | 42.0 | 41.5 | .7 |
| Fabricated metal products..... | 41.2 | 41.5 | 41.3 | 40.4 | -.3 | .8 | 41.0 | 41.0 | 41.2 | 0 |
| Machinery, except electrical..... | 42.0 | 42.4 | 41.8 | 40.8 | -.4 | 1.2 | 42.0 | 42.4 | 42.3 | -.4 |
| Electrical equipment..... | 40.6 | 40.9 | 40.5 | 40.1 | -.3 | .5 | 40.4 | 40.7 | 40.5 | -.3 |
| Transportation equipment..... | 42.2 | 42.1 | 40.4 | 40.9 | .1 | 1.3 | 41.7 | 41.6 | 41.2 | .1 |
| Instruments and related products..... | 41.0 | 41.0 | 40.4 | 40.1 | 0 | .9 | 40.9 | 40.8 | 40.6 | .1 |
| Miscellaneous manufacturing..... | 39.5 | 39.5 | 39.6 | 39.4 | 0 | .1 | 39.2 | 39.5 | 39.5 | -.3 |

| | | | | | | | | | | |
|--|------|------|------|------|-----|-----|------|------|------|-----|
| Nondurable goods..... | 39.8 | 40.0 | 40.0 | 39.4 | - 2 | .4 | 39.7 | 39.7 | 39.8 | 0 |
| Overtime hours..... | 3.5 | 3.7 | 3.5 | 3.2 | - 2 | .3 | 3.3 | 3.3 | 3.3 | 0 |
| Food and kindred products..... | 40.6 | 40.9 | 40.9 | 40.1 | - 3 | .5 | 40.6 | 40.1 | 40.3 | .5 |
| Tobacco manufactures..... | 37.2 | 35.4 | 35.8 | 36.1 | 1.8 | 1.1 | 36.2 | 34.1 | 35.4 | 2.1 |
| Textile mill products..... | 41.5 | 41.5 | 41.4 | 41.0 | 0 | .5 | 41.3 | 41.4 | 41.3 | - 1 |
| Apparel and other textile products..... | 36.1 | 36.1 | 36.3 | 35.9 | 0 | .2 | 36.1 | 36.2 | 36.0 | - 1 |
| Paper and allied products..... | 42.8 | 43.2 | 43.2 | 42.3 | - 4 | .5 | 42.6 | 42.9 | 43.0 | - 3 |
| Printing and publishing..... | 37.9 | 38.5 | 38.1 | 37.5 | - 6 | .4 | 37.9 | 38.2 | 37.9 | - 3 |
| Chemicals and allied products..... | 41.8 | 41.8 | 41.5 | 41.5 | 0 | .3 | 41.8 | 41.7 | 41.7 | .1 |
| Petroleum and coal products..... | 42.4 | 42.9 | 42.0 | 42.6 | - 5 | - 2 | 42.1 | 42.4 | 41.8 | - 3 |
| Rubber and plastics products (not elsewhere classified)..... | 41.2 | 41.5 | 41.4 | 40.6 | - 3 | .6 | 41.0 | 41.1 | 41.4 | - 1 |
| Leather and leather products..... | 37.8 | 38.0 | 38.9 | 37.7 | - 2 | .1 | 38.0 | 38.6 | 39.0 | - 6 |
| Transportation and public utilities..... | 40.9 | 40.7 | 40.8 | 40.4 | .2 | .5 | 40.7 | 40.5 | 40.7 | .2 |
| Wholesale and retail trade..... | 34.9 | 35.1 | 35.9 | 35.0 | - 2 | - 1 | 35.1 | 35.0 | 35.0 | .1 |
| Wholesale trade..... | 39.8 | 39.8 | 39.8 | 39.8 | 0 | 0 | 39.8 | 39.8 | 39.6 | 0 |
| Retail trade..... | 33.4 | 33.6 | 34.7 | 33.5 | - 2 | - 1 | 33.6 | 33.5 | 33.6 | .1 |
| Finance, insurance, and real estate..... | 37.2 | 37.1 | 37.2 | 37.1 | .1 | .1 | 37.2 | 37.2 | 37.1 | 0 |
| Services..... | 34.2 | 34.3 | 34.6 | 34.1 | - 1 | .1 | 34.3 | 34.4 | 34.1 | - 1 |

¹ Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately $\frac{1}{2}$ of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|-----------------------------------|------------------------------|--------------------------------|----------------|-----------------|-------------------|-----------------|------------------------------|--------------------------------|----------------|-----------------|-------------------|-----------------|
| | October 1972 ² | September 1972 ² | August 1972 | October 1971 | Change from | | October 1972 ² | September 1972 ² | August 1972 | October 1971 | Change from | |
| | | | | | September 1972 | October 1971 | | | | | September 1972 | October 1971 |
| Total private..... | \$3.73 | \$3.72 | \$3.66 | \$3.50 | \$0.01 | \$0.23 | \$139.13 | \$139.13 | \$137.62 | \$129.62 | 0 | \$9.63 |
| Seasonally adjusted..... | 3.72 | 3.69 | 3.67 | 3.49 | .03 | .23 | 138.76 | 137.64 | 136.16 | 129.13 | \$1.12 | 9.63 |
| Mining..... | 4.40 | 4.42 | 4.37 | 3.92 | -.02 | .48 | 187.00 | 189.62 | 186.60 | 167.78 | -2.62 | 19.22 |
| Contract construction..... | 6.17 | 6.13 | 6.03 | 5.87 | .04 | .30 | 236.31 | 234.17 | 230.35 | 224.23 | 2.14 | 12.08 |
| Manufacturing..... | 3.87 | 3.86 | 3.80 | 3.59 | .01 | .28 | 157.90 | 157.87 | 154.28 | 143.60 | .03 | 14.30 |
| Durable goods..... | 4.11 | 4.11 | 4.04 | 3.82 | 0 | .29 | 170.57 | 170.98 | 166.04 | 154.71 | -.41 | 15.86 |
| Ordnance and accessories..... | 4.15 | 4.15 | 4.10 | 3.90 | 0 | .25 | 172.64 | 174.30 | 174.66 | 162.63 | -1.66 | 10.01 |
| Lumber and wood producers..... | 3.36 | 3.38 | 3.33 | 3.22 | -.02 | .14 | 137.76 | 140.61 | 137.86 | 132.02 | -2.85 | 5.74 |
| Furniture and fixtures..... | 3.14 | 3.11 | 3.08 | 2.93 | .03 | .21 | 129.37 | 127.51 | 126.28 | 118.37 | 1.86 | 11.00 |
| Stone, clay, and glass products.. | 4.02 | 3.99 | 3.96 | 3.73 | .03 | .29 | 170.45 | 168.78 | 167.90 | 157.41 | 1.67 | 13.04 |
| Primary metal industries..... | 4.72 | 4.75 | 4.69 | 4.34 | -.03 | .38 | 198.71 | 199.50 | 194.64 | 172.30 | -.79 | 26.41 |
| Fabricated metal products..... | 4.04 | 4.05 | 3.99 | 3.76 | -.01 | .28 | 166.45 | 168.08 | 164.79 | 151.90 | -1.63 | 14.55 |
| Machinery, except electrical..... | 4.33 | 4.33 | 4.26 | 4.04 | 0 | .29 | 181.86 | 183.59 | 178.07 | 164.83 | -1.73 | 17.03 |
| Electrical equipment..... | 3.72 | 3.72 | 3.68 | 3.50 | 0 | .22 | 151.03 | 152.15 | 149.04 | 140.35 | -1.12 | 10.68 |
| Transportation equipment..... | 4.85 | 4.81 | 4.71 | 4.41 | .04 | .44 | 204.67 | 202.50 | 190.28 | 180.37 | 2.17 | 24.30 |

| | | | | | | | | | | | | |
|---|------|------|------|------|-----|-----|--------|--------|--------|--------|-------|-------|
| Instruments and related products..... | 3.77 | 3.73 | 3.71 | 3.54 | .04 | .23 | 154.57 | 152.93 | 149.88 | 141.95 | 1.64 | 12.62 |
| Miscellaneous manufacturing..... | 3.14 | 3.13 | 3.09 | 2.97 | .01 | .17 | 124.03 | 123.64 | 122.36 | 117.02 | .39 | 7.01 |
| Nondurable goods..... | 3.52 | 3.51 | 3.47 | 3.29 | .01 | .23 | 140.10 | 140.40 | 138.80 | 129.63 | -.30 | 10.47 |
| Food and kindred products..... | 3.64 | 3.61 | 3.57 | 3.38 | .03 | .26 | 147.78 | 147.65 | 146.01 | 135.54 | .13 | 12.24 |
| Tobacco manufactures..... | 3.36 | 3.36 | 3.38 | 3.00 | 0 | .36 | 124.99 | 118.94 | 121.00 | 108.30 | 6.05 | 16.69 |
| Textile mill products..... | 2.76 | 2.75 | 2.73 | 2.59 | .01 | .17 | 114.54 | 114.13 | 113.02 | 106.19 | .41 | 8.35 |
| Apparel and other textile products..... | 2.67 | 2.65 | 2.61 | 2.51 | .02 | .16 | 96.39 | 95.67 | 94.74 | 90.11 | .72 | 6.28 |
| Paper and allied products..... | 4.02 | 4.01 | 3.97 | 3.73 | .01 | .29 | 172.06 | 173.23 | 171.50 | 157.78 | -1.17 | 14.28 |
| Printing and publishing..... | 4.56 | 4.56 | 4.49 | 4.27 | 0 | .29 | 172.82 | 175.56 | 171.07 | 160.13 | -2.74 | 12.69 |
| Chemicals and allied products..... | 4.28 | 4.27 | 4.23 | 4.00 | .01 | .28 | 178.90 | 178.49 | 175.55 | 166.00 | .41 | 12.90 |
| Petroleum and coal products..... | 5.01 | 4.98 | 4.94 | 4.65 | .03 | .36 | 212.42 | 213.64 | 207.48 | 198.09 | -1.22 | 14.33 |
| Rubber and plastics products, not elsewhere classified..... | 3.65 | 3.65 | 3.63 | 3.45 | 0 | .20 | 150.38 | 151.48 | 150.28 | 140.07 | -1.10 | 10.31 |
| Leather and leather products..... | 2.73 | 2.72 | 2.70 | 2.63 | .01 | .10 | 103.19 | 103.36 | 105.03 | 99.15 | -.17 | 4.04 |
| Transportation and public utilities..... | 4.75 | 4.73 | 4.70 | 4.31 | .02 | .44 | 194.28 | 192.51 | 191.76 | 174.12 | 1.77 | 20.16 |
| Wholesale and retail trade..... | 3.05 | 3.05 | 3.01 | 2.90 | 0 | .15 | 106.45 | 107.06 | 108.06 | 101.50 | -.61 | 4.95 |
| Wholesale trade..... | 3.91 | 3.91 | 3.86 | 3.72 | 0 | .19 | 155.62 | 155.62 | 153.63 | 148.06 | 0 | 7.56 |
| Retail trade..... | 2.74 | 2.73 | 2.70 | 2.60 | .01 | .14 | 91.52 | 91.73 | 93.69 | 87.10 | -.21 | 4.42 |
| Finance, insurance, and real estate..... | 3.49 | 3.46 | 3.44 | 3.31 | .03 | .18 | 129.83 | 128.37 | 127.97 | 122.80 | 1.46 | 7.03 |
| Services..... | 3.24 | 3.22 | 3.14 | 3.06 | .02 | .18 | 110.81 | 110.45 | 108.64 | 104.35 | .36 | 6.46 |

¹ See footnote 1, table B-2.

² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED (1967=100)

| Industry | October 1 1972 | Septem- ber 1 1972 | August 1972 | July 1972 | June 1972 | May 1972 | October 1971 | Percent change over month and year | |
|---|-------------------|--------------------------|----------------|--------------|--------------|-------------|-----------------|--|-------------------------------------|
| | | | | | | | | Septem- ber 1972- October 1972 | October 1971- October 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 140.2 | 139.2 | 138.3 | 137.8 | 137.1 | 136.7 | 131.8 | 0.8 | 6.4 |
| Constant (1967) dollars.. | (²) | 110.3 | 110.1 | 110.0 | 109.8 | 109.6 | 107.7 | (³) | (⁴) |
| Mining..... | 138.6 | 138.2 | 137.8 | 137.3 | 136.3 | 135.2 | 126.1 | .3 | 9.9 |
| Contract construction..... | 148.0 | 147.3 | 146.8 | 145.6 | 145.6 | 145.4 | 140.9 | .5 | 5.1 |
| Manufacturing..... | 137.6 | 136.7 | 135.9 | 135.3 | 135.0 | 134.5 | 129.3 | .7 | 6.5 |
| Transportation and public utilities..... | 146.8 | 145.2 | 145.1 | 144.0 | 141.7 | 141.8 | 133.1 | 1.1 | 10.2 |
| Wholesale and retail trade.... | 136.8 | 136.2 | 135.6 | 135.3 | 134.4 | 133.6 | 130.0 | .4 | 5.2 |
| Finance, insurance, and real estate..... | 135.9 | 134.5 | 133.6 | 133.9 | 133.0 | 132.5 | 128.4 | 1.0 | 5.9 |
| Services..... | 141.0 | 139.4 | 138.0 | 138.0 | 137.4 | 137.5 | 133.1 | 1.1 | 6.0 |

¹ Preliminary.

² Not available.

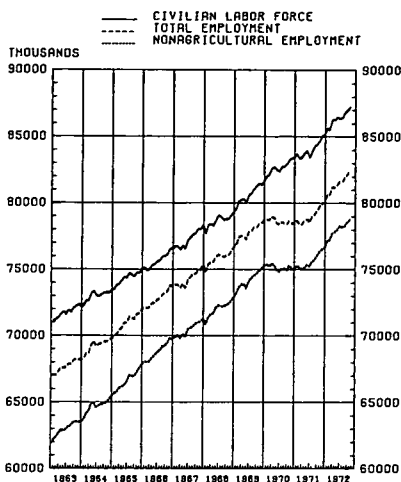
³ Percent change was 0.1 from August 1972 to September 1972, the latest month available.

⁴ Percent change was 2.5 from September 1971 to September 1972, the latest month available.

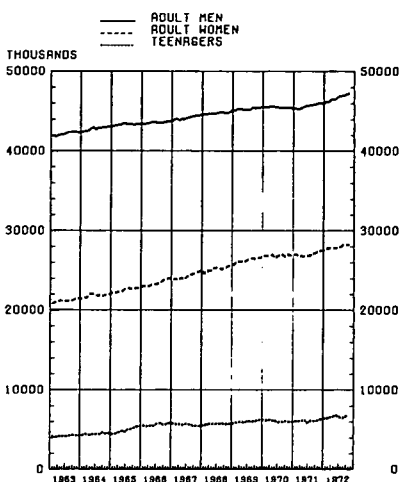
Note: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments; Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

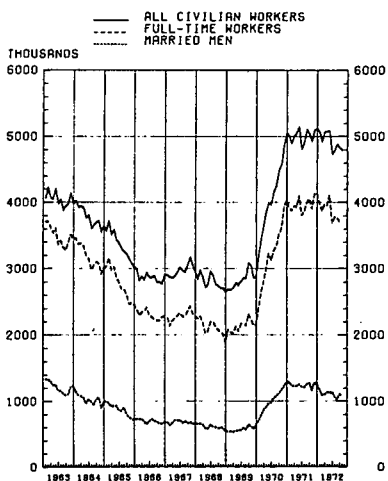
1. LABOR FORCE AND EMPLOYMENT



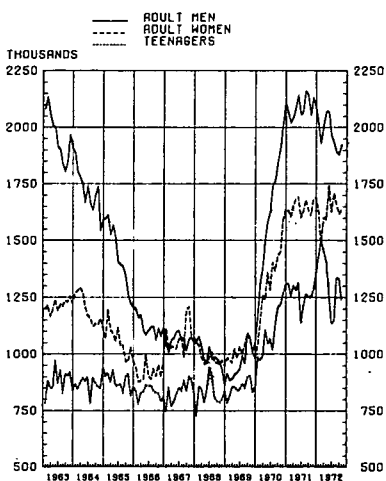
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

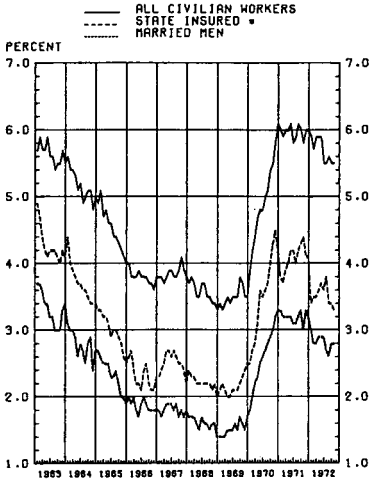


4. UNEMPLOYMENT

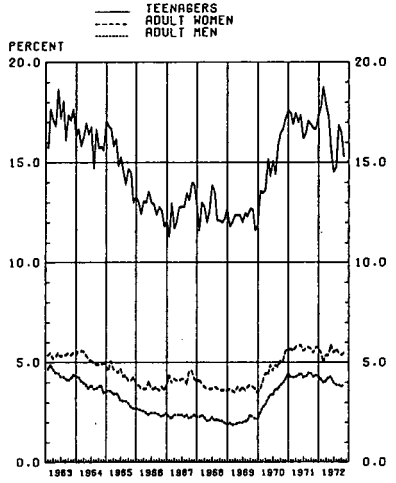


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

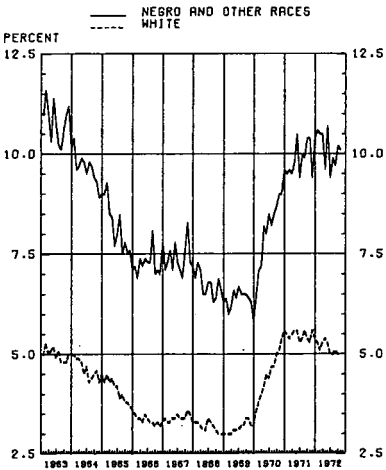
5. UNEMPLOYMENT RATES



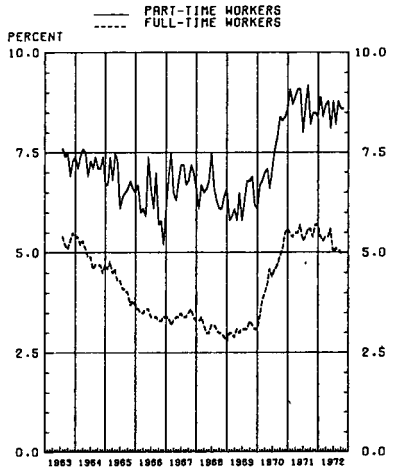
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



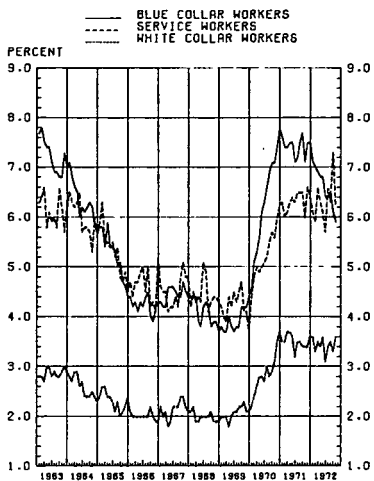
8. UNEMPLOYMENT RATES



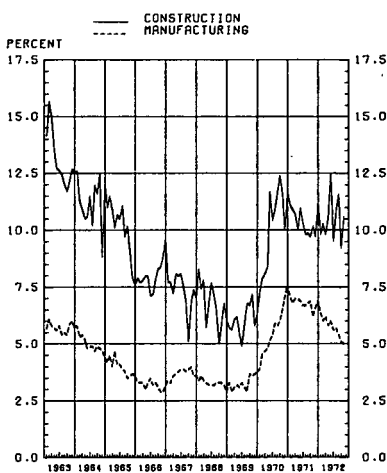
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

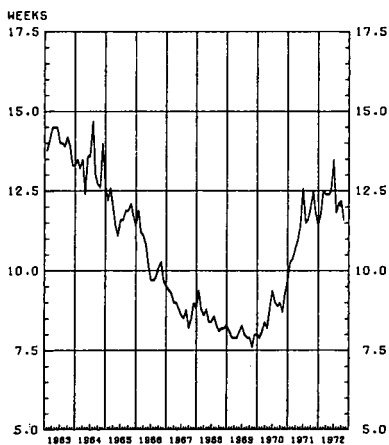
9. UNEMPLOYMENT RATES



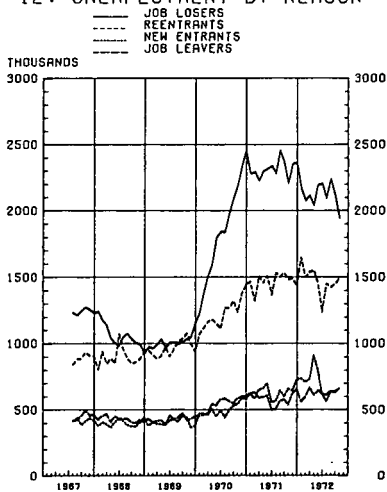
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT

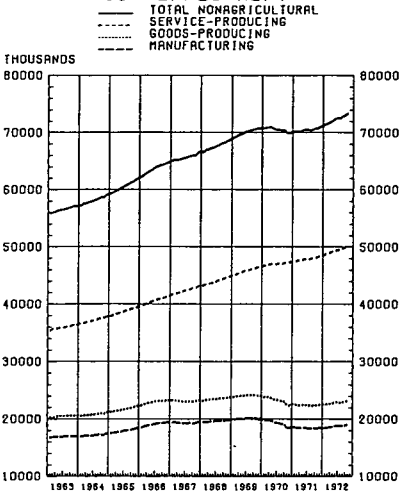


12. UNEMPLOYMENT BY REASON

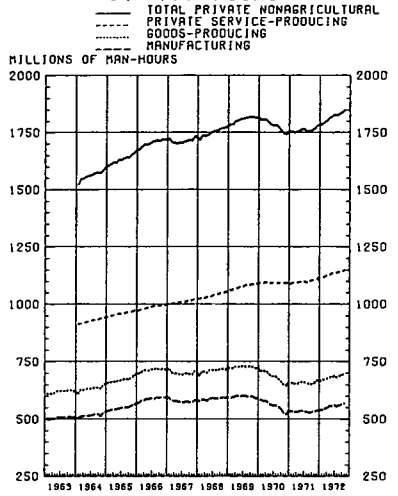


NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

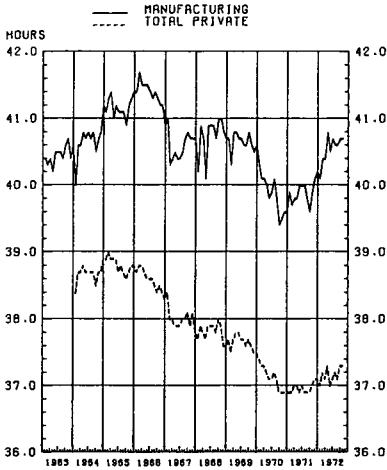
13. EMPLOYMENT



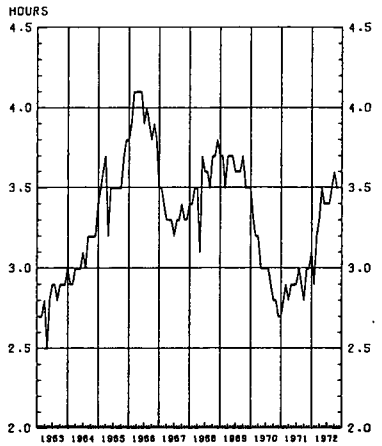
14. MAN-HOURS



15. AVERAGE WEEKLY HOURS



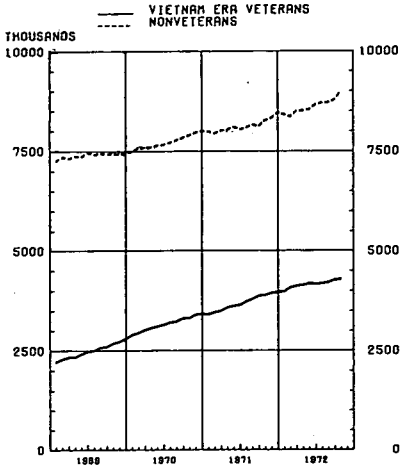
16. AVERAGE WEEKLY OVERTIME HOURS
IN MANUFACTURING



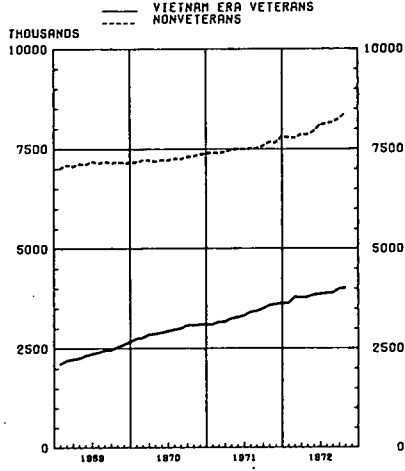
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS, 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

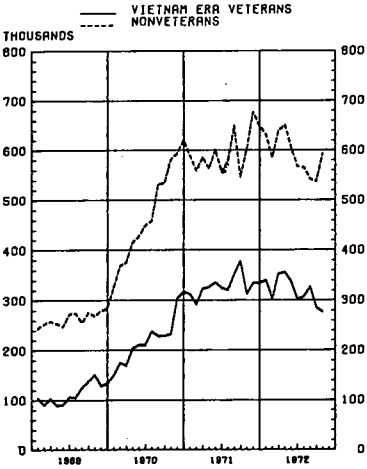
17. CIVILIAN LABOR FORCE



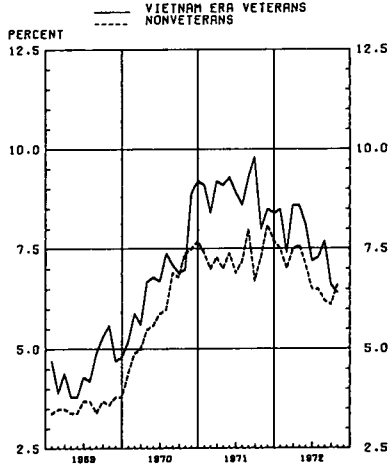
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-760, Nov. 2, 1972]

WHOLESALE PRICE INDEX: OCTOBER 1972

The Wholesale Price Index of All Commodities decreased 0.2 percent between September and October, the U.S. Department of Labor's Bureau of Labor Statistics announced today.

Industrial commodities increased 0.1 percent.

Prices of farm products and processed foods and feeds declined 1.0 percent.

Consumer finished goods, a selection of commodities closely comparable to those in the commodity component of the Consumer Price Index, were down 0.5 percent.

Of the 15 major commodity groups measured by the Wholesale Price Index, eight advanced between September and October, three declined, and four showed no change.

In October, the All Commodities WPI was 120.0 (1967=100), 4.9 percent above a year earlier; the industrial commodities index was up 3.3 percent compared with October 1971.

SEASONALLY ADJUSTED CHANGES

On a seasonally adjusted basis, the All Commodities Wholesale Price Index increased 0.1 percent in October.

Industrial commodities decreased 0.1 percent.

Farm products and processed foods and feeds advanced 0.2 percent.

Consumer finished goods were down 0.2 percent.

In the 6-month period ended in October, the All Commodities WPI rose at a seasonally adjusted annual rate of 5.4 percent. Prices in the last 3 months of the period rose at a slower pace than in the first 3 months; this was because the sharp increases for farm products and processed foods and feeds, which reached a peak in July, had subsided by October and because the rate of advance for industrial commodities slackened. During the 6 months ended in October, the index for farm, and food and feed products advanced at a seasonally adjusted annual rate of 11.4 percent; however, for the last 3 months of the period, the rate was 9.8 percent compared with 13.1 percent for the first 3 months. The industrial commodities index rose at a seasonally adjusted annual rate of 3.0 percent in the May-October period. Within this 6-month period, the rate of increase was 4.1 percent in the 3 months ended in July and 1.9 percent in the 3 months ended in October. The consumer finished goods index rose at a seasonally adjusted annual rate of 4.2 percent for the 6 months ended in October. The index increased at a lower rate in the last 3 months of the period (2.8 percent) than in the first 3 months (5.7 percent), reflecting the slower rise for food products recently. (For changes over 3-, 6-, and 12-month spans, see table 2).

Comparative seasonally adjusted annual rates of change in the WPI before and during the Economic Stabilization Program that began in August 1971 are as follows:

| | 1971 prior to Phase I (December 1970 to August 1971) | 3 months Phase I (August 1971 to November 1971) | 11 months Phase II (November 1971 to October 1972) | 14 months Phases I and II (August 1971 to October 1972) |
|---|--|---|--|---|
| All commodities..... | 5.2 | -0.2 | 5.2 | 4.0 |
| Industrial commodities..... | 4.7 | -0.5 | 3.5 | 2.6 |
| Farm products, processed foods and feeds..... | 6.5 | 1.1 | 9.6 | 7.7 |
| Consumer finished goods..... | 4.1 | -1.1 | 4.1 | 2.9 |
| Foods..... | 6.8 | -.3 | 7.1 | 5.6 |
| Finished goods, excluding foods..... | 2.2 | -.4 | 2.2 | 1.6 |

Among consumer finished goods, foods rose 0.9 percent in October, chiefly as a result of seasonally adjusted advances for meats, processed poultry, eggs, and dairy products. Consumer nonfood finished goods decreased 0.7 percent over the month. Within this grouping, nondurable finished goods were up 0.3 percent, principally due to higher prices for apparel and heating fuel (middle distillate). Durables dropped 2.5 percent because passenger car prices, after adjustment for quality differences between 1972 and 1973 models (introduced in accordance with standard practice in the index in October), showed a decline.

Producer finished goods' prices moved down 0.6 percent on a seasonally adjusted basis, chiefly because motor vehicles declined while machinery showed little change. Increases for a wide variety of materials, including lumber, leather, wool products, and converted paper and paperboard products, explained a 0.3 percent advance for processed (intermediate) materials, supplies, and components (excluding foods and feeds). The index for crude materials for further processing (excluding foods, feeds, and fibers) moved up 1.2 percent, mostly as a result of increases for hides and skins and iron and steel scrap.

PRICE CHANGES FOR COMMODITY GROUPS, NOT SEASONALLY ADJUSTED

The moderate rise in the industrial commodities index in October principally reflected advances for four major commodity groups which were largely offset by a decline for transportation equipment due to lower prices for passenger cars and motor trucks. Hides, skins, and leather and related products made the largest contribution to the total advance for industrials and within this group a steep climb in cattlehide quotations was responsible for about half of the upward movement. Leather and footwear cut stock were up substantially while footwear registered only a slight advance. Increases for wool products, apparel (chiefly men's and boys') and cotton products caused most of the rise for textile products and apparel. The fuels index moved up, influenced by higher prices for distillates, electric power, natural gas, and bituminous coal. In the paper group, advances for converted paper and paperboard products, paperboard, and paper, more than offset a decline for wastepaper.

Prices of passenger cars and motor trucks declined as new models were introduced, contrary to the usual pattern of increases in October. In the case of passenger cars, the decrease resulted from adjustments for quality changes between 1972 and 1973 models, partially offset by the discontinuance of rebate programs in effect for 1972 models and some price increases allowed by the Price Commission to cover optional equipment made standard on new models. Price increases for fixed wing aircraft and motor vehicle parts partially counterbalance these decreases in the overall transportation equipment index.

Among other changes for industrial commodities in October, lumber and wood products advanced at a rate which was greater than that in September but well below rates for other months so far this year. Metals and metal products edged up slightly as increases for iron and steel scrap, foundry and forge shop products, and some fabricated metal products were partially offset by declines for pig iron and ferroalloys and non ferrous metals. Increases for concrete products caused most of the advance for nonmetallic mineral products; concrete ingredients, structural clay and gypsum products also were higher; flat glass declined. Machinery and equipment showed only a nominal advance after remaining unchanged in the previous 2 months. Price changes within the commodity group for chemicals, rubber and plastic products, and furniture and household durables were offsetting. The principal change among miscellaneous products was a decline in jewelry prices.

The 2.4 percent decline for farm products chiefly reflected lower prices for fresh fruits and vegetables, eggs, livestock, live poultry, oilseeds, grains other than wheat, and raw cotton. The major increases were for wheat, wool, fluid milk, and dried fruits. The processed foods and feeds index remained unchanged as declines for meat, processed poultry, manufactured animal feeds, beverage materials, and crude vegetable oils were offset by increases for dairy products, sugar and confectionery, cereal and bakery products, processed fruits and vegetables, and most other categories of food.

A NOTE ON SEASONALLY ADJUSTED AND UNADJUSTED DATA

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred since they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and supply cycles, model changeovers, seasonal discounts and holidays. Seasonally adjusted data are subject to revision when seasonal factors are revised.

The unadjusted data are of principal interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

TABLE 1.—WHOLESALE PRICE INDEXES FOR MAJOR COMMODITY GROUPS AND SPECIAL GROUPINGS, OCTOBER 1972

| | Relative importance, 1 December 1971 | Unadjusted indexes (1967 equals 100 unless otherwise noted) | | Unadjusted percent change to October 1972 from— | | Seasonally adjusted percent change between— | | |
|--|--------------------------------------|---|----------------|---|--------------|---|--------------------------|---------------------|
| | | October 1972 | September 1972 | September 1972 | October 1971 | October to September 1972 | August to September 1972 | July to August 1972 |
| | | | | | | | | |
| All commodities..... | 100.000 | 120.0 | 120.2 | -0.2 | 4.9 | 0.1 | 0.3 | 0.6 |
| All commodities (1957-59 equals 100)..... | | 127.3 | 127.5 | | | | | |
| COMMODITY GROUPS | | | | | | | | |
| Farm products, and processed foods and feeds..... | 26.838 | 123.3 | 124.5 | -1.0 | 9.1 | .2 | .8 | .14 |
| Farm products..... | 10.432 | 125.5 | 128.6 | -2.4 | 12.8 | -1.5 | .9 | 2.9 |
| Processed foods and feeds..... | 16.405 | 121.8 | 121.8 | 0 | 6.7 | .9 | 1.1 | .4 |
| Industrial commodities..... | 73.162 | 118.8 | 118.7 | .1 | 3.3 | -.1 | .2 | .4 |
| Textile products and apparel..... | 6.849 | 114.8 | 114.3 | .4 | 4.7 | .6 | .2 | -.1 |
| Hides, skins, leather, and related products..... | 1.254 | 139.8 | 135.7 | 3.0 | 21.9 | 2.8 | .9 | 2.5 |
| Fuels and related products and power..... | 7.174 | 120.6 | 120.3 | .2 | 5.1 | .3 | .4 | 1.2 |
| Chemicals and allied products..... | 5.716 | 104.4 | 104.4 | 0 | .2 | 0 | .1 | .2 |
| Rubber and plastic products ² | 2.257 | 109.5 | 109.5 | 0 | 0 | | | |
| Lumber and wood products..... | 2.854 | 149.2 | 148.5 | .5 | 13.2 | 1.7 | .1 | 1.9 |
| Pulp, paper, and allied products..... | 4.705 | 114.7 | 114.3 | .3 | 3.7 | .3 | .3 | .4 |
| Metals and metal products..... | 13.439 | 124.1 | 124.0 | .1 | 2.6 | .2 | -.1 | .2 |
| Machinery and equipment..... | 12.280 | 118.4 | 118.3 | .1 | 2.1 | 0 | 0 | .1 |
| Furniture and household durables..... | 3.438 | 112.0 | 112.0 | 0 | 1.6 | 0 | .4 | .3 |
| Nonmetallic mineral products..... | 3.296 | 127.3 | 126.9 | .3 | 2.6 | .4 | .5 | .5 |
| Transportation equipment (December 1968 equals 100) ² | 7.416 | 112.9 | 114.2 | -1.1 | 2.0 | | | |
| Miscellaneous products ³ | 2.486 | 115.0 | 115.4 | -.2 | 1.8 | | | |
| SPECIAL GROUPINGS | | | | | | | | |
| Consumer finished goods..... | 33.270 | 117.1 | 117.7 | -.5 | 3.7 | -.2 | -.1 | .9 |
| Foods..... | 13.059 | 122.3 | 123.6 | -1.1 | 6.3 | .9 | -.3 | 1.4 |
| Finished goods, excluding foods..... | 20.211 | 113.9 | 114.2 | -.3 | 2.1 | -.7 | .4 | .4 |
| Nondurable..... | 12.383 | 114.7 | 114.5 | .2 | 2.7 | .3 | .4 | .4 |
| Durable..... | 7.828 | 112.7 | 113.7 | -.9 | 1.3 | -2.5 | .4 | .3 |
| Producer finished goods..... | 10.201 | 119.7 | 119.9 | -.2 | 2.2 | -.6 | .1 | .3 |
| Manufactured goods..... | 83.270 | 118.8 | 118.8 | 0 | 3.8 | 0 | .3 | .3 |
| Durable..... | 43.242 | 121.7 | 121.9 | -.2 | 2.9 | -.5 | .1 | .4 |
| Intermediate materials supplies and components excluding selected items ³ | 41.355 | 120.1 | 119.8 | .3 | 3.8 | .3 | .1 | .3 |
| Crude materials for further processing, excluding selected items ⁴ | 2.814 | 133.8 | 132.6 | .9 | 8.9 | 1.2 | -.1 | 1.6 |

¹ Comprehensive relative importance figures are computed once each year in December.

² Not seasonally adjusted.

³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.

⁴ Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

TABLE 2.—PERCENT CHANGES IN WAGE PRICE INDEX AND COMPONENTS, OCTOBER 1972

| Month | All commodities | | | | | Industrial commodities | | | | |
|-------------------|---|---------------------|------------------------------------|------------------------------------|----------------------------|------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| October 1971..... | -0.1 | 0.1 | 2.3 | 3.0 | 3.1 | 0 | -0.2 | 1.3 | 3.4 | 3.3 |
| November..... | .1 | .1 | -2 | 2.6 | 3.2 | -1 | .1 | -5 | 2.7 | 3.2 |
| December..... | .8 | .6 | 3.5 | 3.0 | 4.0 | .3 | .2 | .6 | 2.5 | 3.2 |
| January 1972..... | .8 | .5 | 5.1 | 3.7 | 4.0 | .5 | .4 | 2.8 | 2.0 | 3.3 |
| February..... | .9 | .5 | 6.9 | 3.3 | 4.0 | .5 | .4 | 4.0 | 1.7 | 3.6 |
| March..... | .1 | .1 | 4.9 | 4.2 | 3.9 | .3 | .3 | 4.2 | 2.4 | 3.5 |
| April..... | .1 | .3 | 3.8 | 4.5 | 3.7 | .4 | .4 | 4.5 | 3.6 | 3.5 |
| May..... | .6 | .5 | 3.4 | 5.2 | 3.9 | .3 | .3 | 4.3 | 4.1 | 3.4 |
| June..... | .5 | .5 | 4.9 | 4.9 | 3.9 | .3 | .4 | 4.9 | 4.5 | 3.5 |
| July..... | .8 | .7 | 6.6 | 5.2 | 4.5 | .2 | .2 | 4.1 | 4.3 | 3.1 |
| August..... | .2 | .6 | 7.4 | 5.4 | 4.4 | .3 | .4 | 4.1 | 4.2 | 3.0 |
| September..... | .3 | .3 | 6.7 | 5.8 | 5.0 | .2 | .2 | 3.2 | 4.1 | 3.2 |
| October..... | -.2 | .1 | 4.1 | 5.4 | 4.9 | .1 | -.1 | 1.9 | 3.0 | 3.3 |
| | | | | | | | | | | |
| Month | Farm products and processed foods and feeds | | | | | Consumer foods | | | | |
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| October 1971..... | 0 | 1.1 | 4.7 | 1.9 | 2.4 | 0.1 | 2.1 | 9.4 | 2.3 | 3.3 |
| November..... | .5 | .3 | 1.1 | 2.3 | 3.4 | .6 | -.2 | .3 | 1.6 | 3.3 |
| December..... | 2.0 | 1.4 | 12.2 | 4.4 | 6.0 | 1.7 | 1.5 | 14.4 | 4.2 | 6.0 |
| January 1972..... | 1.3 | .9 | 10.9 | 7.7 | 6.1 | .8 | .4 | 7.0 | 8.2 | 5.7 |
| February..... | 1.9 | 1.2 | 14.7 | 7.6 | 5.3 | 1.6 | 1.5 | 14.5 | 7.2 | 5.9 |
| March..... | -.4 | -.3 | 7.0 | 9.6 | 5.0 | -1.0 | -1.0 | 3.8 | 8.9 | 4.9 |
| April..... | -.7 | -.1 | 3.1 | 6.9 | 4.4 | -1.2 | -.3 | .7 | 3.8 | 3.1 |
| May..... | 1.4 | .8 | 1.4 | 7.8 | 5.0 | 1.3 | .5 | -3.3 | 5.2 | 3.4 |
| June..... | 1.1 | .5 | 4.8 | 5.9 | 5.1 | 1.0 | .5 | 2.7 | 3.2 | 3.7 |
| July..... | 2.2 | 1.8 | 13.1 | 8.0 | 7.8 | 2.2 | 1.3 | 9.8 | 5.1 | 6.7 |
| August..... | -.2 | 1.4 | 11.9 | 8.4 | 8.0 | -.2 | 1.4 | 13.7 | 4.9 | 6.0 |
| September..... | .6 | .8 | 17.4 | 10.9 | 10.2 | .4 | -.3 | 10.0 | 6.3 | 7.6 |
| October..... | -1.0 | .2 | 9.8 | 11.4 | 9.1 | -1.1 | -.9 | 8.1 | 8.9 | 6.3 |

TABLE 2.—PERCENT CHANGES IN WAGE PRICE INDEX AND COMPONENTS, OCTOBER 1972—Continued

| Month | Consumer finished goods, total | | | | | Consumer goods, excluding foods | | | | |
|-------------------|--------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|---------------------------------|---------------------|------------------------------------|------------------------------------|----------------------------|
| | From previous month | | At compound annual rates from— | | | From previous month | | At compound annual rates from— | | |
| | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) | Unadjusted | Seasonally adjusted | 3 months ago (seasonally adjusted) | 6 months ago (seasonally adjusted) | 12 months ago (unadjusted) |
| October 1971..... | 0.2 | 0.4 | 2.9 | 1.6 | 2.5 | 0.3 | -0.2 | 0 | 1.5 | 2.0 |
| November..... | .2 | .1 | -1.1 | 1.1 | 2.4 | 0 | .1 | -1.4 | .9 | 1.8 |
| December..... | 1.0 | .9 | 5.8 | 2.7 | 3.3 | .4 | .4 | 1.1 | 1.6 | 1.7 |
| January 1972..... | .4 | .3 | 5.0 | 4.0 | 3:1 | .2 | .3 | 2.9 | 1.4 | 1.4 |
| February..... | .8 | .7 | 7.6 | 3.2 | 3.2 | .2 | .2 | 3.3 | 1.4 | 1.5 |
| March..... | -.3 | -.3 | 2.8 | 4.3 | 2.8 | .2 | .3 | 2.9 | 2.0 | 1.9 |
| April..... | -.3 | 0 | 1.8 | 3.4 | 2.5 | .2 | .3 | 2.9 | 2.9 | 2.2 |
| May..... | .6 | .3 | .3 | 3.9 | 2.5 | .2 | .2 | 2.9 | 3.1 | 2.0 |
| June..... | .5 | .3 | 2.5 | 2.6 | 2.7 | .3 | .2 | 2.5 | 2.7 | 2.2 |
| July..... | 1.0 | .8 | 5.7 | 3.7 | 3.8 | .3 | .3 | 2.5 | 2.7 | 2.1 |
| August..... | .1 | .9 | 8.2 | 4.2 | 3.6 | .3 | .4 | 3.2 | 3.0 | 2.2 |
| September..... | .3 | -.1 | 6.7 | 4.6 | 4.4 | .2 | .4 | 3.9 | 3.2 | 2.6 |
| October..... | -.5 | -.2 | 2.8 | 4.2 | 3.7 | -.3 | -.7 | 0 | 1.2 | 2.1 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, OCTOBER 1972

[1967=100 unless otherwise indicated]

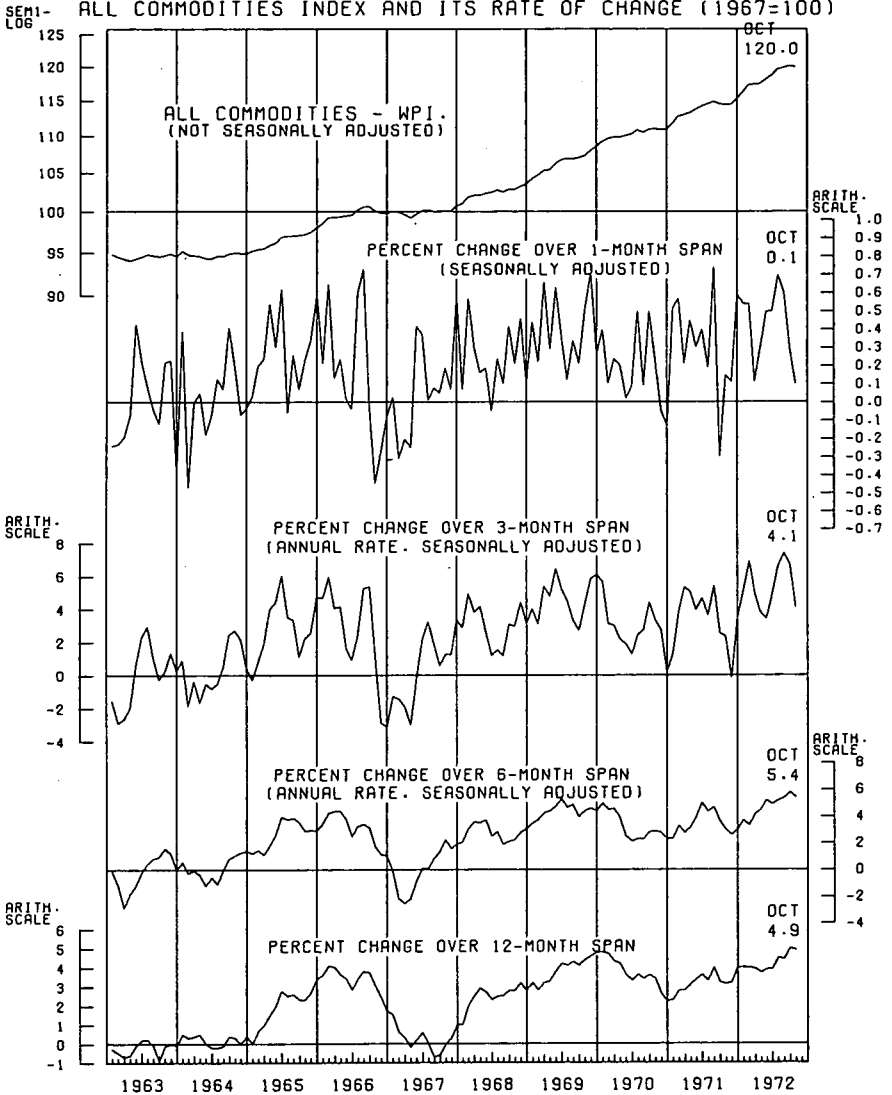
| Grouping | Indexes | | | Percent change to October 1972 from— | |
|--|---------|-----------|-----------------|--------------------------------------|---------------|
| | 1972 | | 1971 October | 1 month ago | 1 year ago |
| | October | September | | | |
| Farm products..... | 125.5 | 128.6 | 111.3 | -2.4 | 12.8 |
| Fresh and dried fruits and vegetables..... | 122.8 | 138.1 | 115.8 | -11.1 | 6.0 |
| Grains..... | 109.2 | 109.5 | 88.3 | -.3 | 23.7 |
| Livestock..... | 144.2 | 144.9 | 120.9 | -5.5 | 19.3 |
| Live poultry..... | 103.8 | 112.3 | 93.5 | -7.6 | 11.0 |
| Plant and animal fibers..... | 105.7 | 108.4 | 96.3 | -2.5 | 9.8 |
| Fluid milk..... | 123.8 | 122.8 | 119.3 | -1.8 | 3.9 |
| Eggs..... | 99.1 | 114.9 | 92.4 | -13.8 | 7.3 |
| Hay, hayseeds, and oilseeds..... | 114.9 | 118.0 | 107.9 | -2.6 | 6.5 |
| Other farm products..... | 132.3 | 132.7 | 115.4 | -.3 | 14.6 |
| Processed foods and feeds..... | 121.8 | 121.8 | 114.1 | 0 | 6.7 |
| Cereal and bakery products..... | 116.9 | 116.1 | 111.3 | -.7 | 5.0 |
| Meats, poultry, and fish..... | 130.4 | 131.7 | 116.9 | -1.0 | 11.5 |
| Dairy products..... | 120.0 | 119.0 | 116.4 | .8 | 3.1 |
| Processed fruits and vegetables..... | 121.8 | 120.1 | 115.3 | 1.4 | 5.6 |
| Sugar and confectionery..... | 123.5 | 121.6 | 118.7 | 1.6 | 4.0 |
| Beverages and beverage materials..... | 118.8 | 119.1 | 116.4 | -.3 | 2.1 |
| Animal fats and oils..... | 129.6 | 126.7 | 132.1 | 2.3 | -1.9 |
| Crude vegetable oils..... | 94.9 | 100.7 | 128.9 | -5.8 | -26.4 |
| Refined vegetable oils..... | 108.4 | 107.0 | 127.9 | 1.3 | -15.2 |
| Vegetable oil end products..... | 123.2 | 121.5 | 122.8 | 1.4 | -.3 |
| Miscellaneous processed foods..... | 116.9 | 116.4 | 112.7 | -.4 | 3.7 |
| Manufactured animal feeds..... | 116.5 | 117.8 | 98.7 | -1.1 | 18.0 |
| Textile products and apparel..... | 124.8 | 114.3 | 109.6 | -.4 | 4.7 |
| Cotton products..... | 114.0 | 123.6 | 112.2 | -.3 | 10.5 |
| Wool products..... | 106.6 | 102.5 | 92.4 | 4.0 | 15.4 |
| Manmade fiber textile products..... | 108.6 | 108.6 | 102.5 | 0 | 6.0 |
| Apparel..... | 115.6 | 115.3 | 113.8 | -.3 | 1.6 |
| Textile housefurnishings..... | 110.0 | 110.0 | 104.1 | 0 | 5.7 |
| Miscellaneous textile products..... | 121.3 | 134.7 | 120.8 | -.7 | 4.4 |
| Hides, skins, leather, and related products..... | 139.8 | 135.7 | 114.7 | 3.0 | 21.9 |
| Hides and skins..... | 270.8 | 335.0 | 117.2 | 11.0 | 131.1 |
| Leather..... | 153.3 | 143.5 | 117.2 | 6.8 | 35.2 |
| Footwear..... | 127.0 | 126.8 | 113.7 | 1.2 | 8.5 |
| Other leather and related products..... | 123.6 | 120.4 | 109.0 | 2.7 | 13.4 |
| Fuels and related products and power..... | 120.6 | 120.3 | 114.8 | -.2 | 5.1 |
| Coal..... | 192.4 | 192.2 | 182.9 | 1.1 | 5.2 |
| Coke..... | 157.0 | 155.5 | 156.5 | 1.1 | 4.3 |
| Gas fuels..... | 117.5 | 116.7 | 108.8 | -.7 | 8.0 |
| Electric power..... | 123.1 | 125.6 | 116.3 | -.4 | 5.8 |
| Crude petroleum..... | 114.7 | 114.7 | 113.2 | 0 | 1.3 |
| Petroleum products refined..... | 111.5 | 111.3 | 106.3 | 0.2 | 4.9 |
| Chemicals and allied products..... | 104.4 | 104.4 | 104.2 | 0 | -.2 |
| Industrial chemicals..... | 100.8 | 101.3 | 102.4 | -.5 | -1.6 |
| Prepared paint..... | 118.2 | 118.3 | 115.9 | -.1 | 2.0 |
| Paint materials..... | 105.1 | 105.2 | 99.7 | -.1 | 5.4 |
| Drugs and pharmaceuticals..... | 103.3 | 103.1 | 102.6 | -.2 | -.7 |
| Fats and oils, inedible..... | 117.2 | 116.4 | 129.0 | -.7 | -9.1 |
| Agricultural chemicals and chemical products..... | 92.1 | 92.0 | 90.4 | -.1 | 1.9 |
| Plastic resins and materials..... | 89.2 | 88.9 | 89.9 | -.3 | -.8 |
| Other chemicals and allied products..... | 114.1 | 113.8 | 112.5 | -.3 | 1.4 |
| Rubber and plastic products..... | 109.5 | 109.5 | 109.5 | 0 | 0 |
| Rubber and rubber products..... | 114.3 | 114.3 | 113.3 | 0 | -.9 |
| Crude rubber..... | 99.6 | 98.8 | 99.0 | -.8 | 6.6 |
| Tires and tubes..... | 109.7 | 109.7 | 110.8 | 0 | 1.0 |
| Miscellaneous rubber products..... | 121.7 | 122.1 | 119.2 | -.3 | 2.1 |
| Plastic construction products (December 1969=100)..... | 93.3 | 93.3 | 94.6 | 0 | -1.4 |
| Unsupported plastic film and sheeting (December 1970=100)..... | 98.3 | 98.3 | 100.0 | 0 | -1.7 |
| Laminated plastic sheets, high pressure (December 1970=100)..... | 97.6 | 97.9 | 98.2 | -.3 | -.6 |
| Lumber and wood products..... | 149.2 | 148.5 | 131.8 | -.5 | 13.2 |
| Lumber..... | 166.1 | 165.1 | 142.7 | -.6 | 16.4 |
| Millwork..... | 130.7 | 130.2 | 123.7 | -.4 | 5.7 |
| Plywood..... | 134.6 | 134.6 | 116.2 | 0 | 15.8 |
| Other wood products..... | 128.2 | 127.6 | 118.8 | -.5 | 7.9 |
| Pulp, paper, and allied products..... | 114.7 | 114.3 | 110.6 | -.3 | 3.7 |
| Pulp, paper, and products, excluding building paper and board..... | 115.0 | 114.6 | 110.9 | -.3 | 3.7 |
| Woodpulp..... | 111.5 | 111.5 | 111.5 | 0 | 0 |
| Wastepaper..... | 136.9 | 139.2 | 117.2 | -1.7 | 16.8 |
| Paper..... | 116.8 | 116.7 | 114.7 | -.1 | 1.8 |
| Paperboard..... | 106.8 | 106.5 | 102.9 | -.3 | 3.8 |
| Converted paper and paperboard products..... | 115.4 | 114.6 | 110.1 | -.7 | 4.8 |
| Building paper and board..... | 107.3 | 107.3 | 104.6 | 0 | 2.6 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, OCTOBER 1972—Continued
 [1967=100 unless otherwise indicated]

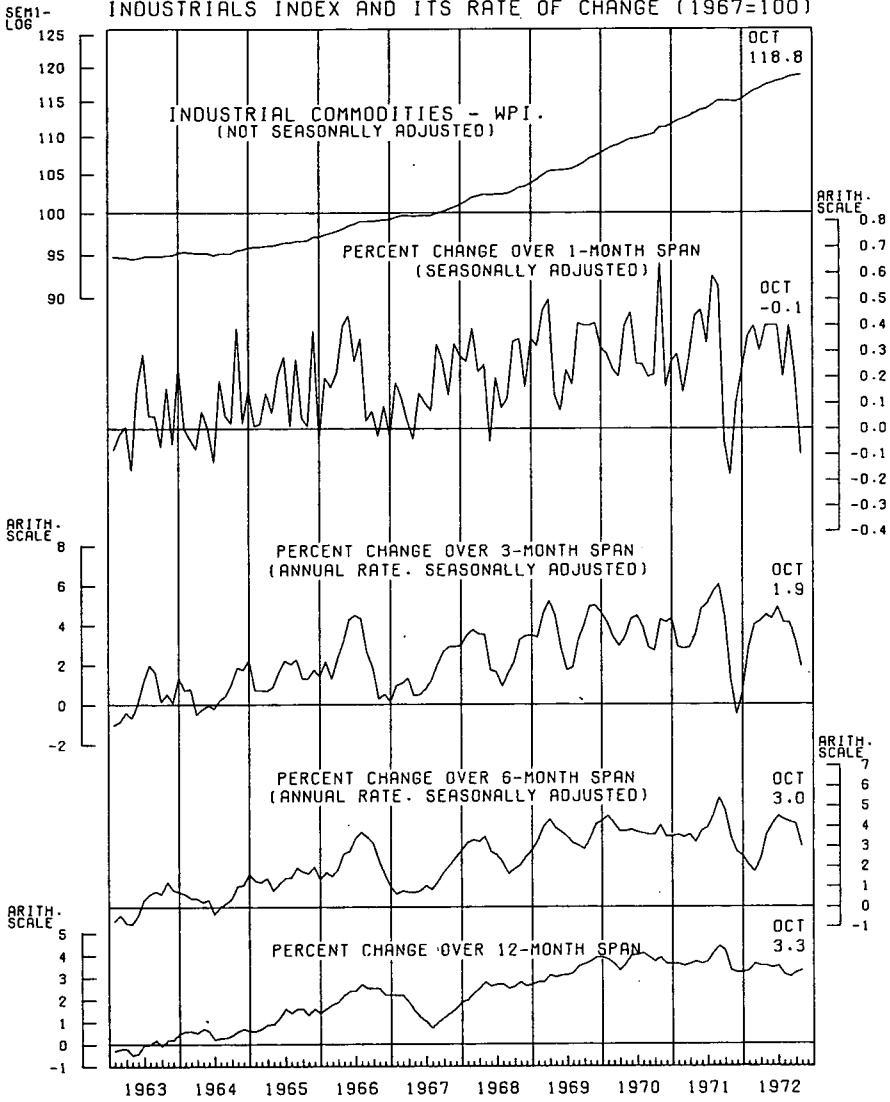
| Grouping | Indexes | | | Percent change to October 1972 from— | |
|--|---------|-----------|-----------------|---|---------------|
| | 1972 | | 1971 October | 1 month ago | 1 year ago |
| | October | September | | | |
| Metals and metal products..... | 124.1 | 124.0 | 121.0 | .1 | 2.6 |
| Iron and steel..... | 128.9 | 128.8 | 125.5 | .1 | 2.7 |
| Nonferrous metals..... | 117.3 | 117.4 | 116.3 | -.1 | .9 |
| Metal containers..... | 131.1 | 131.1 | 124.2 | 0 | 5.6 |
| Hardware..... | 121.1 | 120.8 | 117.7 | .2 | 2.9 |
| Plumbing fixtures and brass fittings..... | 120.6 | 120.5 | 118.3 | .1 | 1.9 |
| Heating equipment..... | 119.2 | 119.2 | 116.3 | 0 | 2.5 |
| Fabricated structural metal products..... | 123.0 | 122.7 | 120.3 | .2 | 2.2 |
| Miscellaneous metal products..... | 124.8 | 124.7 | 119.7 | .1 | 4.3 |
| Machinery and equipment..... | 118.4 | 118.3 | 116.0 | .1 | 2.1 |
| Agricultural machinery and equipment..... | 122.6 | 122.6 | 117.5 | 0 | 4.3 |
| Construction machinery and equipment..... | 126.1 | 126.1 | 121.8 | 0 | 3.5 |
| Metalworking machinery and equipment..... | 121.2 | 121.0 | 118.1 | .2 | 2.6 |
| General purpose machinery and equipment..... | 123.2 | 123.0 | 120.2 | .2 | 2.5 |
| Special industry machinery and equipment..... | 124.3 | 124.0 | 122.0 | .2 | 1.9 |
| Electrical machinery and equipment..... | 110.5 | 110.6 | 109.6 | -.1 | .8 |
| Miscellaneous machinery..... | 120.9 | 120.9 | 117.8 | 0 | 2.6 |
| Furniture and household durables..... | 112.0 | 112.0 | 110.2 | 0 | 1.6 |
| Household furniture..... | 117.7 | 117.7 | 115.6 | 0 | 1.8 |
| Commercial furniture..... | 121.7 | 121.1 | 118.2 | .5 | 3.0 |
| Floor coverings..... | 99.0 | 99.0 | 97.6 | 0 | 1.4 |
| Household appliances..... | 108.0 | 108.1 | 107.5 | -.1 | .5 |
| Home electronic equipment..... | 92.9 | 92.9 | 93.8 | 0 | -1.0 |
| Other household durable goods..... | 126.9 | 127.0 | 121.9 | -.1 | 4.1 |
| Nonmetallic mineral products..... | 127.3 | 126.9 | 124.1 | .3 | 2.6 |
| Flat glass..... | 122.5 | 122.8 | 124.3 | -.2 | -1.4 |
| Concrete ingredients..... | 128.4 | 128.3 | 124.1 | .1 | 3.5 |
| Concrete products..... | 127.2 | 126.3 | 122.6 | .7 | 3.8 |
| Structural clay products excluding refractories..... | 118.4 | 117.5 | 114.9 | .8 | 3.0 |
| Refractories..... | 132.1 | 132.1 | 127.1 | 0 | 3.9 |
| Asphalt roofing..... | 131.2 | 131.2 | 131.2 | 0 | 0 |
| Gypsum products..... | 115.5 | 115.2 | 113.6 | .3 | 1.7 |
| Glass containers..... | 136.4 | 136.4 | 131.5 | 0 | 3.7 |
| Other nonmetallic minerals..... | 127.3 | 127.3 | 125.7 | 0 | 1.3 |
| Transportation equipment (December 1968=100)..... | 112.9 | 114.2 | 110.7 | -1.1 | 2.0 |
| Motor vehicles and equipment..... | 116.9 | 118.5 | 115.2 | -1.4 | 1.5 |
| Railroad equipment..... | 130.2 | 130.2 | 122.5 | 0 | 6.3 |
| Miscellaneous products..... | 115.0 | 115.2 | 113.0 | -.2 | 1.8 |
| Toys, sporting goods, small arms, ammunition..... | 114.9 | 114.8 | 112.6 | .1 | 2.0 |
| Tobacco products..... | 117.5 | 117.5 | 116.8 | 0 | .6 |
| Notions..... | 112.9 | 112.9 | 111.7 | 0 | 1.1 |
| Photographic equipment and supplies..... | 107.0 | 107.0 | 106.3 | 0 | .7 |
| Other miscellaneous products..... | 116.9 | 117.6 | 112.9 | -.6 | 3.5 |

WHOLESALE PRICE INDEX 1963-1972

ALL COMMODITIES INDEX AND ITS RATE OF CHANGE (1967=100)

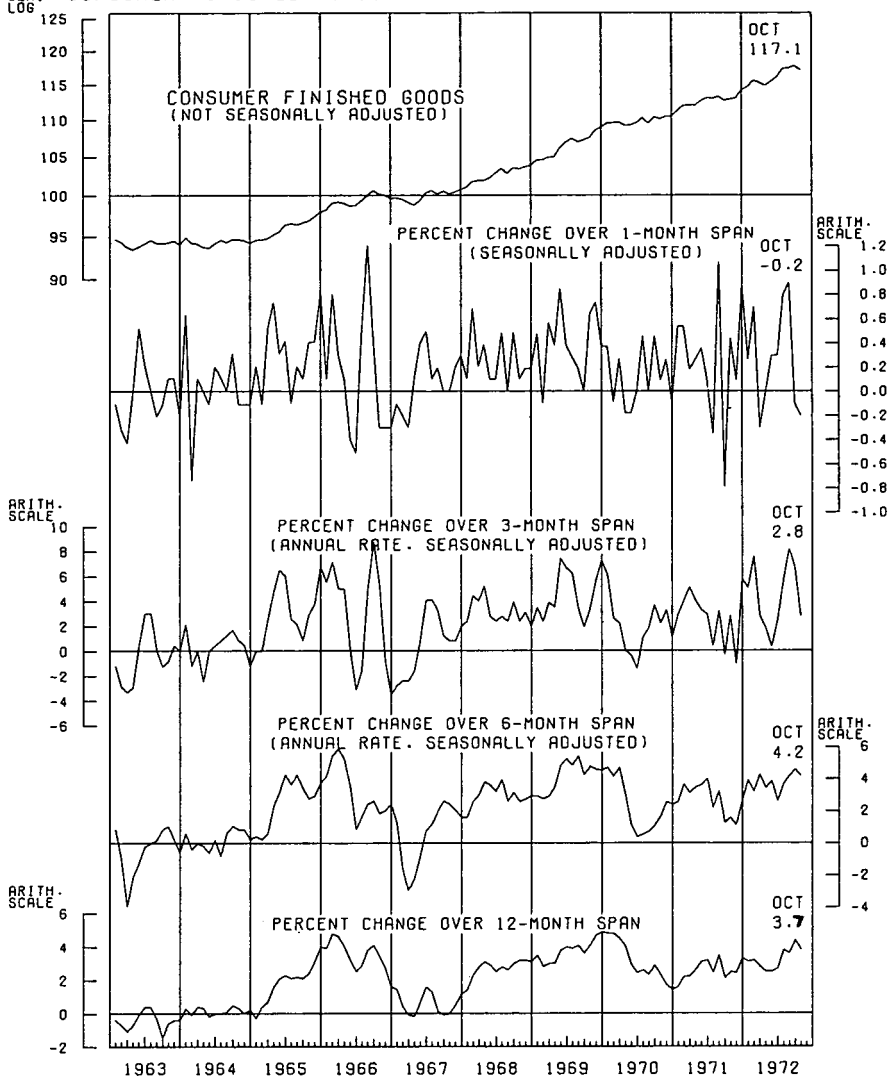


WHOLESALE PRICE INDEX 1963-1972
 INDUSTRIALS INDEX AND ITS RATE OF CHANGE (1967=100)



WHOLESALE PRICE INDEX 1963-1972

SEM1- CONSUMER FINISHED GOODS AND ITS RATE OF CHANGE (1967=100)



[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-761, Nov. 3, 1972]

PRODUCTIVITY, WAGES, AND PRICES—THIRD QUARTER, 1972

The Bureau of Labor Statistics today issued its Quarterly Report on Productivity, Wages, and Prices, summarizing relationships among key figures recently released.

Major developments reviewed in the report include the following:

Productivity in the private economy continued to gain in the third quarter at a rate well above the long-run average.

Compensation per man-hour rose only slightly more than output per man-hour, and as a result the rise in labor cost per unit was very small for the second consecutive quarter.

The lessened pressure of labor costs seems to be reflected in wholesale-industrial prices, where the uptrend has been slackening since early this year.

Because of sharp increases in farm products, which reflected a tightening demand and supply situation, the overall price averages nevertheless rose somewhat more in the third quarter than the second.

The rise in compensation per man-hour exceeded the rise in consumer prices, and real compensation continued to increase in the third quarter.

A copy of the report is attached.

U.S. DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D.C., November 2, 1972.

REVIEW OF PRODUCTIVITY, WAGES, AND PRICES

(Third Quarter, 1972)

Summary

Gains in productivity in the third quarter continued well above their long-run average, while the rise in labor compensation slowed somewhat further. Since the rise in output per man-hour nearly matched the increase in compensation per man-hour, the change in the cost of labor per unit of output was very small for the second consecutive quarter. This slackening cost pressure seems to be reflected in wholesale industrial prices, where the rate of advance on the average has been slowing since early this year. Sizeable rises nevertheless continued in lumber, fuels, and hides and leather, where the pressure of demand has been heavy for various reasons, and supplies are limited.

Largely because of substantial increases on the agricultural side, however, the over-all average of prices nevertheless rose more sharply in the third quarter than earlier this year. Large purchases of wheat by Russia resulted in a steep rise in grain prices, and a generally cold, wet summer made for reduced supplies and sharply higher prices of fruits and vegetables. A substantial advance in livestock prices until July meant a sizeable increase of retail meat prices. Apart from food, a short supply of 1972 model cars made for unseasonably high auto prices in later summer. The sharper uptrend in consumer prices, combined with the slower increase in wages, resulted in a considerably smaller rise in the purchasing power of workers' earnings in the third quarter compared with the previous two quarters, when gains were considerable.

The average size of wage increases provided in major collective bargaining agreements, which had diminished sharply in the first half of the year, showed little further change in the third quarter. Wage raises in the first year of the contract actually increased slightly in size, but they continued substantially smaller than the average last year, particularly in construction.

Productivity

Gains in output per man-hour continued strong in the third quarter. Since they nearly equalled the rise in labor compensation per man-hour, the change in labor costs per unit of output remained small for the second consecutive quarter.

In the private economy as a whole, the third-quarter increase in output per man-hour, at a 3.7 percent annual rate, continued well above the postwar average, although it was slower than in the first half of the year because of a smaller gain in the farm sector. Variations in farm output and man-hours are often sharp from quarter to quarter. The increase in compensation per man-hour slowed to 4.2 percent annual rate in the third quarter, smallest rise in the past 7 years, except for one quarter in early 1967. For the past four years, these increases have averaged about 7½ percent. With labor compensation and output per man-

hour rising by nearly the same amounts in the third quarter, the increase in labor cost per unit of output was slight. Real compensation per man-hour increased 0.5 percent in the third quarter, or less than the average in the first half of the year.

In the private nonfarm sector the total gain in output per man-hour so far this year has been the largest for any 3-quarter span in the postwar era, except for the periods immediately after the low points of the four previous postwar business recessions. Productivity rose at an annual rate of 6.2 percent in the third quarter, slightly better than in the first half of the year, and more than double the postwar average. Compensation per man-hour rose at a 5.9 percent annual rate in the third quarter, somewhat more than in the second quarter, but well below the average in the past four years. Since compensation per man-hour rose a little less than output per man-hour, the labor cost per unit fell slightly for the second consecutive quarter—the first declines since 1965. In 1969 and 1970, unit labor costs were rising at close to 7 percent annually, and the rate of price inflation was at its peak. Real compensation per man-hour rose by 2.2 percent in the private nonfarm economy, or less than the average rise in the first half of the year, partly because of a somewhat accelerated increase in consumer prices. For the year so far, however, the gain in real compensation has been the largest since 1968, as earnings rose considerably faster than prices.

In the manufacturing sector alone, the rise in output per man-hour slackened to a 3.3 percent annual rate in the third quarter, or about half the rate in the first half. The uptrend in man-hours slowed, but less sharply than output, which was disrupted by the severe June floods. Since compensation per man-hour rose at the same rate in the third quarter as in the second, unit labor costs rose somewhat in the third quarter, after a moderate decline in the second; the increase, however, was still relatively minor.

Wages

The trend toward considerably smaller wage and benefit increases in major contracts, which had characterized the first half of the year, did not continue in the third quarter. In major collective bargaining situations—those covering 5,000 or more workers—increases in wages and benefits averaged 8.6 percent for the first contract year and 7.6 percent yearly over the life of the contract—somewhat higher in both cases than in the second quarter, although still well below levels last year (Table 7). The decline from last year's level has been especially sharp for first-year raises, which in 1971 averaged 13.1 percent; this partly reflects current wage stabilization policies, which have largely focussed on reviewing first-year increases. The 1972 averages have been limited to those decisions approved by wage control authorities.

Wage-rate changes alone (in decisions affecting 1,000 workers or more) averaged 6.9 percent in the first year and 6.1 percent yearly over the life of the contract—little changed from the second quarter, in contrast to sharp declines earlier. Last year's averages had been 11.6 percent in the first year, and 8.1 percent yearly for the contract period. The drop from last year was especially sharp in construction, where the third-quarter increases, both first-year and life-of-contract, were only half as large as the 1971 averages.

The gain in average hourly earnings of production or nonsupervisory workers in the private nonfarm sector slackened to a 4.1 percent annual rate in the third quarter, from 6.5 percent in the second quarter and 7.4 percent in the first. The rise in average weekly earnings slowed in similar fashion, and the increase in real weekly earnings was only 1.2 percent at an annual rate, compared with about 4 percent in the first half of the year.

Prices

Price increases were somewhat greater on the whole in the third quarter than in previous quarters this year, largely because of renewed sharp advances in farm products and foods. Prices of consumer commodities other than food also accelerated their uptrend at both the wholesale and retail levels. However, the rise in the average of wholesale industrial commodity prices continued to slacken, mostly in intermediate materials and finished producer goods.

The Consumer Price Index, seasonally adjusted, rose at a 4.6 percent annual rate from June to September, for the largest quarterly rise in more than a year (Table 9). Food prices rose at a 7 percent rate in the third quarter, the same as in the first; in the second quarter they had been unchanged. The sharp third-quarter rise was chiefly in fruits and vegetables and meats. Demand for meat continued very strong, and livestock supplies reaching the market were unusually

low, especially in July when farmers appeared to be holding out for higher prices. Fruit and vegetable prices reflected smaller crops, due mostly to a cold, wet summer.

In consumer commodity prices apart from food, the third-quarter increase was 4.1 percent at a seasonally adjusted annual rate, the largest since the second quarter of last year. A number of factors coincide to produce the sharp rise: apparel prices, which had been unusually weak during the summer, partly because cool weather had depressed sales, rebounded in September when fall and winter merchandise appeared in the stores at full list prices. Gasoline prices, which had been weak in winter and spring, rebounded sharply in late summer, when there were scattered signs of shortages of petroleum products. Prices of new cars, which ordinarily decline as the end of the model year approaches, fell much less than normally this summer, because of unusually low dealer inventories in relation to the heavy demand. Used car prices were also strong for the season. Ceiling prices of course apply to the new 1973 models, introduced in mid-September.

The increase in services, on the other hand, has been fairly steady at about a 3 percent annual rate since the fourth quarter of last year, the slowest rate of rise since early 1966. Especially noteworthy is the slackening in medical care services, which are now rising about one-fourth as fast as they were at the peak in 1970. The rise in transportation services has also slackened considerably.

At the wholesale level, the uptrend in commodity prices accelerated to a 6.7 percent rate in the third quarter, seasonally adjusted, from 4.9 percent in the first and second (Table 10.) The major influence in the sharper rise was a steep increase in farm products, much of it in grains. Very heavy purchases of wheat by Russia, where crops were disastrously poor this year, plus heavy domestic and export demand for feed grains, resulted in one of the sharpest grain price advances in 25 years. Fruit, vegetable, and egg prices also rose substantially.

On the other hand, the uptrend in prices of wholesale industrial commodities continued to slacken. On a seasonally-adjusted annual rate basis, the third-quarter rise was 3.2 percent, the smallest for a calendar quarter in two years, apart from the price-freeze period. A slower rise occurred in most of the 13 major groups. During the third quarter, much the sharpest rises continued in building materials, particularly lumber; in hides and leather, largely reflecting a hide embargo in Argentina; and in petroleum products, where supplies have become somewhat short. Increases were very small, on the other hand, in the metals and machinery groups, which account for about one-third of the total weight of industrial commodities.

TABLE 1.—TOTAL PRIVATE ECONOMY: OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, UNIT COST, AND PRICES, SEASONALLY ADJUSTED (INDEXES 1967 EQUALS 100)

| Year and quarter | Output per man-hour | Output | Man-hours | Compensation per man-hour ¹ | Real compensation per man-hour ² | Unit labor cost | Unit nonlabor payments ³ | Implicit price deflator ⁴ |
|--|---------------------|--------|-----------|--|---|-----------------|-------------------------------------|--------------------------------------|
| 1971: | | | | | | | | |
| 1st..... | 107.0 | 108.7 | 101.6 | 130.6 | 109.2 | 122.0 | 109.1 | 117.0 |
| 2d..... | 107.6 | 109.7 | 101.9 | 132.5 | 109.7 | 123.2 | 110.4 | 118.2 |
| 3d..... | 108.5 | 110.4 | 101.8 | 134.4 | 110.2 | 123.9 | 111.3 | 119.0 |
| 4th..... | 109.4 | 112.3 | 102.6 | 136.0 | 110.8 | 124.2 | 111.6 | 119.3 |
| Annual average..... | 108.1 | 110.3 | 102.0 | 133.4 | 109.9 | 123.4 | 110.6 | 118.4 |
| 1972: | | | | | | | | |
| 1st..... | 110.5 | 114.3 | 103.4 | 138.8 | 112.2 | 125.7 | 112.6 | 120.6 |
| 2d..... | 112.2 | 117.1 | 104.4 | 140.7 | 112.9 | 125.5 | 114.3 | 121.1 |
| 3d..... | 113.2 | 118.8 | 105.0 | 142.2 | 113.0 | 125.6 | 115.6 | 121.7 |
| PERCENT CHANGE OVER PREVIOUS QUARTER AT ANNUAL RATE ⁶ | | | | | | | | |
| 1971: | | | | | | | | |
| 1st..... | 7.5 | 8.7 | 1.2 | 9.2 | 5.8 | 1.7 | 10.5 | 4.7 |
| 2d..... | 2.2 | 3.7 | 1.5 | 6.2 | 1.8 | 3.9 | 4.9 | 4.3 |
| 3d..... | 3.2 | 2.5 | -6 | 5.8 | 1.7 | 2.6 | 3.1 | 2.8 |
| 4th..... | 3.7 | 7.2 | 3.4 | 4.7 | 2.3 | 1.0 | 1.1 | 1.0 |
| Annual average ⁷ | 3.6 | 3.0 | -6 | 7.1 | 2.7 | 3.4 | 6.0 | 4.3 |
| 1972: | | | | | | | | |
| 1st..... | 3.9 | 7.0 | 3.1 | 8.7 | 5.1 | 4.6 | 3.6 | 4.2 |
| 2d..... | 6.2 | 10.2 | 3.8 | 5.6 | 2.4 | -6 | 6.0 | 1.7 |
| 3d..... | 3.7 | 6.1 | 2.3 | 4.2 | 5.5 | 5.5 | 4.6 | 2.0 |
| PERCENT CHANGE OVER PREVIOUS YEAR ⁸ | | | | | | | | |
| 1971: | | | | | | | | |
| 1st..... | 4.1 | 1.8 | -2.2 | 7.5 | 2.4 | 3.2 | 7.3 | 4.7 |
| 2d..... | 3.6 | 2.3 | -1.3 | 7.5 | 3.0 | 3.8 | 6.6 | 4.8 |
| 3d..... | 2.7 | 2.3 | -3 | 6.6 | 2.3 | 3.9 | 5.7 | 4.5 |
| 4th..... | 4.1 | 5.5 | 1.4 | 6.5 | 2.9 | 2.3 | 4.9 | 3.2 |
| 1972: | | | | | | | | |
| 1st..... | 3.2 | 5.1 | 1.8 | 6.3 | 2.7 | 3.0 | 3.2 | 3.1 |
| 2d..... | 4.2 | 6.7 | 2.4 | 6.2 | 2.9 | 1.9 | 3.5 | 2.4 |
| 3d..... | 4.3 | 7.6 | 3.1 | 5.7 | 2.6 | 1.3 | 3.8 | 2.2 |

¹ Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also includes an estimate of wages, salaries and supplemental payments for the self-employed.

² Compensation per man-hour adjusted for changes in the Consumer Price Index.

³ Nonlabor payments include profits, depreciation, interest, rental income, and indirect taxes.

⁴ Current dollar gross product divided by constant dollar gross product.

⁵ Preliminary.

⁶ Percent change compounded at annual rate from original data rather than index numbers.

⁷ Percentage change of annual average.

⁸ Current quarter divided by comparable quarter a year ago.

Note: Data have been revised to reflect new benchmarks. Revisions of earlier data appear on appendix table 11.

Source: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce and the Federal Reserve Board. Compensation and man-hours data from the Bureau of Labor Statistics, U.S. Department of Labor and the Bureau of Economic Analysis.

TABLE 2.—PRIVATE NONFARM SECTOR: OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, UNIT COST, AND PRICES, SEASONALLY ADJUSTED (INDEXES 1967 EQUALS 100)

| Year and quarter | Output per man-hour | Output | Man-hours | Compensation per man-hour ¹ | Real compensation per man-hour ² | Unit labor cost | Unit nonlabor payments ³ | Implicit price deflator ⁴ |
|--|---------------------|---------|-----------|--|---|-----------------|-------------------------------------|--------------------------------------|
| 1971: | | | | | | | | |
| 1st..... | 105.8 | 108.7 | 102.8 | 128.8 | 107.8 | 121.8 | 109.5 | 117.1 |
| 2d..... | 106.6 | 109.8 | 103.0 | 131.2 | 108.6 | 123.0 | 110.5 | 118.3 |
| 3d..... | 107.3 | 110.5 | 103.0 | 132.9 | 108.9 | 123.8 | 111.3 | 119.1 |
| 4th..... | 108.5 | 112.7 | 103.8 | 134.5 | 109.6 | 123.9 | 111.3 | 119.1 |
| Annual average..... | 107.1 | 110.4 | 103.2 | 131.8 | 108.7 | 123.2 | 110.7 | 118.4 |
| 1972: | | | | | | | | |
| 1st..... | 109.9 | 114.9 | 104.5 | 137.4 | 111.1 | 125.0 | 112.2 | 120.2 |
| 2d..... | 111.3 | 117.8 | 105.9 | 139.0 | 111.5 | 124.9 | 113.7 | 120.6 |
| 3d..... | § 113.0 | § 119.8 | § 106.1 | § 141.0 | § 112.1 | § 124.8 | § 114.7 | § 121.0 |
| PERCENT CHANGE OVER PREVIOUS QUARTER AT ANNUAL RATE ⁶ | | | | | | | | |
| 1971: | | | | | | | | |
| 1st..... | 7.4 | 8.6 | 1.1 | 9.1 | 5.7 | 1.5 | 10.1 | 4.5 |
| 2d..... | 3.2 | 4.1 | .9 | 7.5 | 3.0 | 4.2 | 3.7 | 4.0 |
| 3d..... | 2.5 | 2.4 | -.2 | 5.2 | 1.1 | 2.5 | 2.9 | 2.7 |
| 4th..... | 4.7 | 8.1 | 3.3 | 4.9 | 2.6 | .3 | -.1 | .1 |
| Annual average ⁷ | 3.6 | 3.0 | -.6 | 7.1 | 2.7 | 3.4 | 6.1 | 4.3 |
| 1972: | | | | | | | | |
| 1st..... | 5.2 | 8.1 | 2.8 | 9.1 | 5.5 | 3.8 | 3.5 | 3.7 |
| 2d..... | 5.1 | 10.6 | 5.2 | 4.6 | 1.5 | -.5 | 5.2 | 1.5 |
| 3d..... | § 6.2 | § 7.1 | § .9 | § 5.9 | § 2.2 | § -.3 | § 3.6 | § 1.1 |
| PERCENT CHANGE OVER PREVIOUS YEAR ⁸ | | | | | | | | |
| 1971: | | | | | | | | |
| 1st..... | 3.9 | 1.6 | -2.2 | 7.5 | 2.4 | 3.5 | 8.1 | 5.1 |
| 2d..... | 3.5 | 2.3 | -1.1 | 7.5 | 3.0 | 3.9 | 6.6 | 4.9 |
| 3d..... | 2.4 | 2.2 | -.2 | 6.6 | 2.2 | 4.0 | 5.6 | 4.6 |
| 4th..... | 4.4 | 5.8 | 1.3 | 6.7 | 3.1 | 2.1 | 4.1 | 2.8 |
| 1972: | | | | | | | | |
| 1st..... | 3.9 | 5.6 | 1.7 | 6.7 | 3.0 | 2.7 | 2.5 | 2.6 |
| 2d..... | 4.4 | 7.3 | 2.8 | 5.9 | 2.7 | 1.5 | 2.9 | 2.0 |
| 3d..... | § 5.3 | § 8.5 | § 3.0 | § 6.1 | § 2.9 | § .8 | § 3.0 | § 1.6 |

¹ Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also includes an estimate of wages, salaries and supplemental payments for the self-employed.

² Compensation per man-hour adjusted for changes in the Consumer Price Index.

³ Nonlabor payments include profits, depreciation, interest, rental income, and indirect taxes.

⁴ Current dollar gross product divided by constant dollar gross product.

⁵ Preliminary.

⁶ Percent change compounded at annual rate from original data rather than index numbers.

⁷ Percentage change of annual average.

⁸ Current quarter divided by comparable quarter a year ago.

Note: Data have been revised to reflect new benchmarks. Revisions of earlier data appear on appendix table 11.

Source: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce and the Federal Reserve Board. Compensation and man-hours data from the Bureau of Labor Statistics, U.S. Department of Labor and the Bureau of Economic Analysis.

TABLE 3.—MANUFACTURING SECTOR: OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, AND UNIT LABOR COSTS, SEASONALLY ADJUSTED (INDEXES 1967=100)

| Year and quarter | Output per man-hour | Output ¹ | Man-hours | Compensation per man-hour ² | Real compensation per man-hour ³ | Unit labor costs |
|--|---------------------|---------------------|-----------|--|---|------------------|
| 1971: | | | | | | |
| 1st..... | 112.6 | 106.3 | 94.4 | 128.2 | 107.3 | 113.9 |
| 2d..... | 114.7 | 108.2 | 94.3 | 130.0 | 107.6 | 113.3 |
| 3d..... | 115.3 | 107.9 | 93.5 | 131.2 | 107.6 | 113.8 |
| 4th..... | 115.1 | 108.7 | 94.5 | 132.2 | 107.8 | 114.9 |
| Annual average..... | 114.4 | 107.8 | 94.2 | 130.5 | 107.5 | 114.0 |
| 1972: | | | | | | |
| 1st..... | 116.6 | 111.1 | 95.3 | 135.9 | 109.9 | 116.5 |
| 2d..... | 118.5 | 115.0 | 97.0 | 137.5 | 110.3 | 116.0 |
| 3d..... | 119.5 | 116.3 | 97.3 | 139.1 | 110.6 | 116.5 |
| PERCENT CHANGE OVER PREVIOUS QUARTER AT ANNUAL RATE⁴ | | | | | | |
| 1971: | | | | | | |
| 1st..... | 13.8 | 16.6 | 2.5 | 9.0 | 5.7 | -4.2 |
| 2d..... | 7.9 | 7.3 | -5 | 5.7 | 1.2 | -2.0 |
| 3d..... | 2.2 | -1.1 | -3.2 | 3.7 | -3 | 1.5 |
| 4th..... | -1.0 | 3.0 | 4.1 | 3.1 | .8 | 4.2 |
| Annual average ⁴ | 5.8 | 1.7 | 4.0 | 6.8 | 2.4 | .9 |
| 1972: | | | | | | |
| 1st..... | 5.6 | 9.1 | 3.3 | 11.5 | 8.0 | 5.6 |
| 2d..... | 6.6 | 14.8 | 7.7 | 4.8 | 1.5 | -1.6 |
| 3d..... | 43.3 | 44.6 | 41.2 | 44.8 | 41.2 | 41.5 |
| PERCENT CHANGE OVER PREVIOUS YEAR⁵ | | | | | | |
| 1971: | | | | | | |
| 1st..... | 6.3 | -1.2 | -7.1 | 8.3 | 3.2 | 1.8 |
| 2d..... | 6.1 | .7 | -5.1 | 7.5 | 3.0 | 1.3 |
| 3d..... | 5.2 | 1.0 | -4.0 | 5.8 | 1.5 | .6 |
| 4th..... | 5.5 | 6.3 | .7 | 5.4 | 1.8 | -2 |
| 1972: | | | | | | |
| 1st..... | 3.6 | 4.5 | .9 | 6.0 | 2.4 | 2.3 |
| 2d..... | 3.3 | 6.3 | 2.9 | 5.8 | 2.4 | 2.4 |
| 3d..... | 43.6 | 47.8 | 44.1 | 46.0 | 42.8 | 42.4 |

¹ Quarterly measures adjusted to annual estimates of output (gross product originating) from the Bureau of Economic Analysis, U.S. Department of Commerce.

² Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also includes an estimate of wages, salaries and supplemental payments for the self-employed.

³ Compensation per man-hour adjusted for changes in the Consumer Price Index.

⁴ Preliminary.

⁵ Percent change compounded at annual rate from original data rather than index numbers.

⁶ Percentage change of annual average.

⁷ Current quarter divided by comparable quarter a year ago.

Note: Data have been revised to reflect new benchmarks. Revisions of earlier data appear on app. table 11.

Source: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce and the Federal Reserve Board. Compensation and man-hours data from the Bureau of Labor Statistics, U.S. Department of Labor and the Bureau of Economic Analysis.

TABLE 4.—NONFINANCIAL CORPORATIONS: OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, UNIT COSTS, UNIT PROFITS AND PRICES, SEASONALLY ADJUSTED

[Indexes 1967=100]

| Year and quarter | Output per man-hour | Output | Man-hours | Compensation per man-hour ¹ | Real compensation per man-hour ² | Unit labor cost | Unit nonlabor costs ³ | Unit profits ⁴ | Implicit price deflator |
|--|---------------------|--------------------|--------------------|--|---|--------------------|----------------------------------|---------------------------|-------------------------|
| 1971: | | | | | | | | | |
| 1st..... | 110.2 | 110.7 | 100.5 | 128.8 | 107.8 | 116.9 | 124.7 | 76.6 | 112.4 |
| 2d..... | 111.3 | 111.9 | 100.5 | 130.9 | 108.4 | 117.6 | 125.7 | 78.8 | 113.4 |
| 3d..... | 112.9 | 112.5 | 99.6 | 133.3 | 109.2 | 118.0 | 128.2 | 76.9 | 113.9 |
| 4th..... | 113.9 | 114.6 | 100.6 | 134.7 | 109.8 | 118.2 | 129.4 | 74.5 | 113.9 |
| Annual average..... | 112.0 | 112.5 | 100.4 | 131.8 | 108.7 | 117.7 | 126.9 | 76.6 | 113.4 |
| 1972: | | | | | | | | | |
| 1st..... | 115.7 | 117.8 | 101.8 | 137.9 | 111.4 | 119.1 | ⁷ 127.9 | 78.1 | 114.8 |
| 2d..... | ⁸ 117.5 | ⁸ 121.2 | ⁸ 103.2 | ⁸ 139.4 | ⁸ 111.8 | ⁸ 118.7 | ⁸ 128.6 | ⁸ 81.4 | ⁸ 115.1 |
| PERCENT CHANGE OVER PREVIOUS QUARTER AT ANNUAL RATE⁶ | | | | | | | | | |
| 1971: | | | | | | | | | |
| 1st..... | 9.0 | 12.8 | 3.5 | 6.6 | 3.2 | -2.2 | -1.5 | 82.3 | 4.0 |
| 2d..... | 4.2 | 4.5 | .3 | 6.8 | 2.6 | 2.5 | 3.2 | 11.9 | 3.6 |
| 3d..... | 5.7 | 1.9 | -3.6 | 7.4 | 2.9 | 1.6 | 8.3 | -9.2 | 1.9 |
| 4th..... | 3.6 | 7.9 | 4.1 | 4.3 | 1.9 | .6 | 3.6 | -11.8 | 0 |
| Annual average..... | 4.4 | 2.7 | -1.7 | 7.0 | 2.6 | 2.5 | 5.3 | 7.8 | 3.6 |
| 1972: | | | | | | | | | |
| 1st..... | 6.5 | 11.5 | 4.6 | 9.8 | 6.2 | ⁷ 3.1 | ⁷ -4.5 | ⁷ -20.9 | 2.9 |
| 2d..... | ⁸ 6.1 | ⁸ 12.0 | ⁸ 5.5 | ⁸ 4.6 | ⁸ 1.5 | ⁸ -1.4 | ⁸ 2.1 | ⁸ 17.8 | ⁸ 1.3 |
| PERCENT CHANGE OVER PREVIOUS YEAR⁸ | | | | | | | | | |
| 1971: | | | | | | | | | |
| 1st..... | 4.4 | .6 | -3.7 | 7.9 | 2.8 | 3.3 | 6.7 | 6.6 | 4.4 |
| 2d..... | 4.1 | 1.7 | -2.3 | 7.5 | 3.1 | 3.3 | 5.7 | 6.3 | 4.2 |
| 3d..... | 3.9 | 1.8 | -2.0 | 6.7 | 2.4 | 2.8 | 6.6 | 6.0 | 4.0 |
| 4th..... | 5.6 | 6.7 | 1.0 | 6.2 | 2.7 | .6 | 3.3 | 13.0 | 2.4 |
| 1972: | | | | | | | | | |
| 1st..... | 5.0 | 6.4 | 1.3 | 7.1 | 3.4 | ⁷ 2.0 | 2.6 | 2.0 | 2.1 |
| 2d..... | ⁸ 5.5 | ⁸ 8.2 | ⁸ 2.6 | ⁸ 6.5 | ⁸ 3.1 | ⁸ 1.0 | ⁸ 2.3 | ⁸ 3.3 | ⁸ 1.5 |

¹ Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also includes an estimate of wages, salaries, and supplemental payments for the self-employed.

² Compensation per man-hour adjusted for changes in the Consumer Price Index.

³ Unit nonlabor costs include depreciation, interest, and indirect taxes.

⁴ Unit profits include corporate profits and inventory valuation adjustment.

⁵ Preliminary.

⁶ Percent change compounded at annual rate from original data rather than index numbers.

⁷ Revised.

⁸ Current quarter divided by comparable quarter a year ago.

Note: Data on this table do not yet reflect new benchmarks incorporated in tables 1-3. 3d-quarter data not available

Source: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce, and the Federal Reserve Board. Compensation and man-hours data from the Bureau of Labor Statistics, U.S. Department of Labor, and the Bureau of Economic Analysis.

TABLE 5.—QUARTER-TO-QUARTER CHANGES IN COMPENSATION, SEASONALLY ADJUSTED

| Measure | Percent change over previous quarter at annual rate | | | | | | | | |
|---|---|----------|-------|------|-----------|----------|-------|------|------------------|
| | 1970 | | 1971 | | | | 1972 | | |
| | September | December | March | June | September | December | March | June | September |
| Average hourly compensation: | | | | | | | | | |
| All persons, total private economy..... | 9.4 | 5.4 | 9.2 | 6.2 | 5.8 | 4.7 | 8.7 | 5.6 | 4.2 |
| All employees, private nonfarm economy: | | | | | | | | | |
| Current dollars..... | 9.2 | 5.1 | 9.0 | 7.2 | 5.1 | 5.1 | 9.0 | 4.7 | 5.6 |
| 1967 dollars..... | 4.5 | -3 | 5.6 | 2.7 | 1.0 | 2.7 | 5.4 | 1.6 | 1.9 |
| Average hourly earnings, private nonfarm economy ² : | 7.3 | 5.0 | 7.5 | 7.8 | 5.6 | 5.1 | 7.4 | 6.5 | 4.1 |
| Mining..... | 6.8 | 7.4 | 4.5 | 7.2 | 7.8 | 5.6 | 31.2 | 3.8 | 5.6 |
| Contract construction..... | 11.6 | 7.2 | 8.1 | 9.0 | 8.8 | 6.7 | 6.8 | 5.3 | 2.0 |
| Manufacturing..... | 7.0 | .8 | 12.3 | 5.0 | 5.0 | 3.4 | 11.1 | 6.6 | 5.0 |
| Transportation and public utilities..... | 10.2 | 7.0 | 11.9 | 6.7 | 11.4 | 8.4 | 13.5 | 9.2 | 7.8 |
| Wholesale and retail trade..... | 7.1 | 5.0 | 5.4 | 6.3 | 5.7 | 3.7 | 6.6 | 3.6 | 5.0 |
| Finance, insurance, and real estate..... | 6.7 | 7.5 | 6.9 | 9.5 | 3.3 | 2.4 | 7.0 | 6.5 | 2.4 |
| Services..... | 8.4 | 8.7 | 7.6 | 6.0 | 3.6 | 7.3 | 7.1 | 4.3 | .8 |
| Average hourly earnings, private nonfarm economy, ² adjusted for overtime (in manufacturing only) and interindustry employment shifts: | | | | | | | | | |
| Total, current dollars..... | 8.2 | 6.4 | 7.9 | 7.1 | 6.3 | 5.2 | 8.0 | 5.6 | 4.4 |
| 1967 dollars..... | 3.6 | .8 | 4.0 | 3.2 | 2.2 | 2.7 | 4.0 | 3.0 | .8 |
| Mining..... | 5.6 | 5.9 | 4.2 | 7.6 | 8.1 | -9 | 19.4 | 4.2 | 7.0 |
| Contract construction..... | 11.4 | 7.3 | 8.0 | 8.9 | 8.4 | 6.8 | 6.9 | 4.5 | 2.0 |
| Manufacturing..... | 7.4 | 5.2 | 8.4 | 6.3 | 5.6 | 4.4 | 8.9 | 5.5 | 4.5 |
| Transportation and public utilities..... | 9.7 | 6.6 | 13.1 | 6.8 | 9.6 | 9.7 | 13.2 | 9.9 | 7.4 |
| Wholesale and retail trade..... | 6.9 | 5.3 | 6.7 | 6.9 | 5.3 | 4.1 | 6.2 | 4.4 | 4.7 |
| Finance, insurance, and real estate..... | 7.0 | 7.7 | 6.8 | 9.2 | 3.7 | 2.2 | 6.6 | 7.4 | 2.8 |
| Services..... | 8.6 | 9.4 | 7.5 | 6.7 | 5.3 | 5.1 | 7.8 | 4.1 | 2.1 |
| Average hourly earnings, all Federal executive branch employees..... | 2.6 | 3.8 | 3.5 | 1.6 | -2.8 | 2.3 | 6.4 | 3.3 | (⁴) |
| Average union scales, 7 building trades: ⁵ | | | | | | | | | |
| Wages and selected benefits..... | 9.5 | 12.8 | 9.3 | 17.2 | 4.9 | 5.4 | 5.6 | 13.3 | (⁴) |
| Hourly wage rates..... | 8.4 | 10.6 | 9.3 | 17.2 | 4.0 | 3.9 | 5.6 | 11.3 | (⁴) |
| Wage rates, hired farm labor..... | 12.7 | 2.4 | 4.8 | 2.3 | 12.0 | -4.4 | 7.0 | 9.2 | 18.7 |
| Average weekly earnings, private nonfarm economy: ² | | | | | | | | | |
| Current dollars..... | 6.5 | 3.1 | 7.9 | 8.2 | 4.8 | 7.0 | 7.8 | 6.9 | 4.9 |
| 1967 dollars..... | 2.1 | -2.3 | 4.0 | 4.1 | .8 | 4.5 | 3.8 | 4.3 | 1.2 |
| Real spendable earnings (worker and 3 dependents, 1967 dollars)..... | 1.5 | -2.6 | 9.6 | 3.3 | .3 | 3.8 | 9.1 | 3.5 | .7 |

¹ Preliminary.² Production and nonsupervisory workers.³ Computed from data that are not seasonally adjusted. Actual percent change rather than annual

rate of change is shown where change is affected by a general salary adjustment.

⁴ Not available.⁵ Changes subsequent to June 1971 are based on data before seasonal adjustment.

TABLE 6.—FOUR-QUARTER CHANGES IN COMPENSATION, SEASONALLY ADJUSTED

| Measure | Percent change over 4-quarter period ¹ ending in— | | | | | | | | |
|--|--|----------|-------|------|-----------|----------|-------|------|------------------------|
| | 1970 | | 1971 | | | | 1972 | | |
| | September | December | March | June | September | December | March | June | September ² |
| Average hourly compensation: | | | | | | | | | |
| All persons, total private economy..... | 8.0 | 6.9 | 7.5 | 7.5 | 6.6 | 6.5 | 6.3 | 6.2 | 5.7 |
| All employees, private nonfarm economy: | | | | | | | | | |
| Current dollars..... | 7.8 | 6.9 | 7.6 | 7.6 | 6.6 | 6.6 | 6.6 | 5.9 | 6.1 |
| 1967 dollars..... | 1.9 | 1.2 | 2.6 | 3.1 | 2.2 | 3.0 | 3.0 | 2.7 | 2.9 |
| Average hourly earnings, private nonfarm economy ³ : | 6.1 | 5.6 | 6.3 | 6.9 | 6.5 | 6.5 | 6.5 | 6.2 | 5.8 |
| Mining..... | 6.6 | 6.7 | 6.0 | 6.5 | 6.7 | 2.2 | 8.2 | 7.3 | 6.8 |
| Contract construction..... | 9.7 | 8.8 | 8.5 | 9.0 | 8.3 | 8.1 | 7.8 | 6.9 | 5.3 |
| Manufacturing..... | 5.4 | 4.3 | 6.4 | 6.2 | 5.7 | 6.4 | 6.1 | 6.5 | 6.5 |
| Transportation and public utilities..... | 6.2 | 6.7 | 8.7 | 8.9 | 9.2 | 9.6 | 10.0 | 10.6 | 9.7 |
| Wholesale and retail trade..... | 6.2 | 5.5 | 5.6 | 5.9 | 5.6 | 5.3 | 5.6 | 4.9 | 4.7 |
| Finance, insurance, and real estate..... | 5.3 | 5.6 | 5.8 | 7.7 | 6.8 | 5.5 | 5.5 | 4.8 | 4.5 |
| Services..... | 7.9 | 7.8 | 8.1 | 7.7 | 6.5 | 6.1 | 6.0 | 5.6 | 4.9 |
| Average hourly earnings, private nonfarm economy ³ adjusted for overtime (in manufacturing only) and interindustry employment shifts: | | | | | | | | | |
| Total, current dollars..... | 6.8 | 6.6 | 7.2 | 7.4 | 6.9 | 6.6 | 6.6 | 6.3 | 5.8 |
| 1967 dollars..... | 1.1 | .9 | 2.2 | 2.9 | 2.5 | 3.0 | 3.0 | 3.0 | 2.6 |
| Mining..... | 5.8 | 5.6 | 5.0 | 5.8 | 6.5 | 4.7 | 8.3 | 7.4 | 7.2 |
| Contract construction..... | 9.7 | 8.7 | 8.7 | 8.9 | 8.2 | 8.0 | 7.8 | 6.7 | 5.3 |
| Manufacturing..... | 6.5 | 6.2 | 7.0 | 6.4 | 6.4 | 6.2 | 6.3 | 6.1 | 5.8 |
| Transportation and public utilities..... | 6.3 | 6.7 | 8.9 | 9.0 | 9.0 | 9.8 | 9.8 | 10.6 | 10.0 |
| Wholesale and retail trade..... | 6.1 | 5.6 | 5.9 | 6.4 | 6.0 | 5.7 | 5.6 | 5.0 | 4.8 |
| Finance, insurance, and real estate..... | 6.3 | 6.3 | 6.4 | 7.7 | 6.8 | 5.4 | 5.4 | 5.0 | 4.7 |
| Services..... | 7.6 | 7.7 | 8.0 | 8.0 | 7.2 | 6.1 | 6.2 | 5.5 | 4.7 |
| Average hourly earnings, all Federal executive branch employees ⁴ | 10.4 | 10.5 | 13.9 | 8.6 | 7.2 | 3.8 | 6.7 | 7.2 | (5) |
| Average union scales, 7 building trades: ⁵ | | | | | | | | | |
| Wages and selected benefits..... | 12.7 | 12.9 | 13.6 | 12.2 | 11.7 | 10.8 | 11.1 | 7.3 | (6) |
| Hourly wage rates..... | 11.7 | 11.8 | 12.3 | 11.3 | 11.0 | 10.1 | 10.4 | 6.1 | (6) |
| Wage rates, hired farm labor..... | 6.3 | 5.6 | 6.1 | 5.5 | 5.3 | 3.5 | 4.0 | 5.7 | 7.3 |
| Average weekly earnings, private nonfarm economy: ³ | | | | | | | | | |
| Current dollars..... | 4.4 | 3.8 | 5.2 | 6.4 | 6.0 | 7.0 | 6.9 | 6.6 | 6.6 |
| 1967 dollars..... | -1.2 | -1.8 | .3 | 1.9 | 1.6 | 3.4 | 3.3 | 3.4 | 3.5 |
| Real spendable earnings (worker and 3 dependents, 1967 dollars)..... | -1.9 | -1.3 | 1.3 | 2.8 | 2.5 | 4.2 | 4.1 | 4.1 | 4.2 |

¹ Current quarter divided by comparable quarter a year earlier.

² Preliminary.

³ Production and nonsupervisory workers.

⁴ Computed from data that are not seasonally adjusted.

⁵ Changes subsequent to June 1971 are based on data before seasonal adjustment.

⁶ Not available.

TABLE 7.—WAGE AND BENEFIT DECISIONS, INDIVIDUAL QUARTERS ¹

| Measure | Average (mean) yearly percent change in decisions during quarter ending in— | | | | | | | | | |
|--|---|-----------|----------|-------|------|-----------|----------|--------------------|-------------------|------------------------|
| | 1970 | | | 1971 | | | 1972 | | | |
| | June | September | December | March | June | September | December | March ² | June ² | September ² |
| Major collective bargaining situations: ³ | | | | | | | | | | |
| Wage and benefit changes: | | | | | | | | | | |
| Over life of contract..... | 10.9 | 11.6 | 7.5 | 8.5 | 8.2 | 8.7 | 10.6 | 8.1 | 7.0 | 7.6 |
| 1st year adjustment..... | 16.3 | 16.0 | 10.6 | 10.6 | 11.5 | 15.0 | 12.7 | 9.3 | 7.3 | 8.6 |
| Wage-rate changes in—All industries: | | | | | | | | | | |
| Over life of contract..... | 10.4 | 9.7 | 7.3 | 8.2 | 7.9 | 8.0 | 9.0 | 7.8 | 6.4 | 6.1 |
| Contracts with escalator clauses. | 10.5 | 9.1 | 4.9 | 5.7 | 7.2 | 7.5 | 7.6 | 5.4 | 5.6 | 5.0 |
| Contracts without escalator clauses..... | 10.3 | 9.9 | 10.1 | 9.9 | 8.2 | 9.3 | 9.3 | 9.4 | 6.5 | 6.3 |
| 1 year adjustment..... | 14.1 | 12.6 | 9.6 | 10.0 | 10.4 | 13.5 | 10.5 | 8.4 | 6.6 | 6.9 |
| Manufacturing: | | | | | | | | | | |
| Over life of contract..... | 7.2 | 7.1 | 5.0 | 6.1 | 7.1 | 8.3 | 7.2 | 5.5 | 5.7 | 5.7 |
| 1st year adjustment..... | 9.2 | 9.2 | 6.9 | 8.7 | 9.1 | 13.7 | 9.1 | 7.3 | 7.0 | 6.7 |
| Nonmanufacturing: | | | | | | | | | | |
| Over life of contract..... | 11.9 | 11.9 | 11.0 | 10.8 | 8.8 | 7.8 | 9.8 | 9.9 | 6.6 | 6.3 |
| 1st year adjustment..... | 16.4 | 15.5 | 13.8 | 11.5 | 12.0 | 13.4 | 11.2 | 9.4 | 6.5 | 6.9 |
| Construction: | | | | | | | | | | |
| Over life of contract..... | 15.2 | 15.8 | 13.8 | 16.5 | 11.7 | 10.2 | 9.9 | 13.0 | 6.1 | 5.5 |
| 1st year adjustment..... | 17.1 | 21.3 | 21.2 | 18.0 | 13.1 | 12.3 | 11.5 | 14.6 | 6.4 | 6.0 |
| Wage increases in manufacturing: ⁴ | | | | | | | | | | |
| All establishments..... | 7.1 | 7.3 | 6.5 | 7.2 | 7.3 | 11.1 | 6.8 | 5.6 | 5.5 | (^b) |
| Union establishments..... | 8.2 | 8.3 | 6.9 | 8.0 | 8.6 | 12.9 | 8.6 | 6.5 | 6.1 | (^b) |
| Nonunion establishments..... | 5.2 | 6.1 | 5.9 | 5.5 | 5.0 | 5.6 | 5.1 | 4.4 | 4.9 | (^c) |

¹ Data exclude possible adjustments in wages under cost-of-living escalator clauses (except increases guaranteed by the contract).

² Preliminary.

³ Limited to private industry settlements affecting 1,000 workers or more (5,000 for wages and benefits combined).

⁴ Averages are limited to establishments in which there were decisions to make general wage-rate increases. Averages for major collective bargaining situations include, in addition to units deciding on general wage increases, units agreeing to reduce wages or to leave wages unchanged. Data for 1971 and 1972 are preliminary.

⁵ Not available.

TABLE 8.—WAGE AND BENEFIT DECISIONS, ANNUAL PERIODS ¹

| Measure | Average (mean) yearly percent change in decisions during 4 quarters ending in— | | | | | | | | | |
|--|--|-----------|----------|-------|------|-----------|----------|--------------------|-------------------|------------------|
| | 1970 | | | 1971 | | | 1972 | | | |
| | June | September | December | March | June | September | December | March ² | June ² | September |
| Major collective bargaining situations: ³ | | | | | | | | | | |
| Wage and benefit changes: | | | | | | | | | | |
| Over life of contract..... | 9.5 | 9.9 | 9.1 | 9.2 | 8.2 | 8.2 | 8.8 | 8.6 | 8.4 | 8.3 |
| 1st year adjustment..... | 14.0 | 14.5 | 13.1 | 13.0 | 11.2 | 12.3 | 13.1 | 13.1 | 12.7 | 9.5 |
| Wage-rate changes in—All industries: | | | | | | | | | | |
| Over life of contract..... | 9.1 | 9.4 | 8.9 | 9.0 | 8.1 | 7.8 | 8.1 | 7.9 | 7.6 | 7.3 |
| 1st year adjustment..... | 12.1 | 12.6 | 11.9 | 11.8 | 10.4 | 11.2 | 11.6 | 11.9 | 11.1 | 8.1 |
| Manufacturing: | | | | | | | | | | |
| Over life of contract..... | 6.6 | 6.7 | 6.0 | 6.1 | 6.0 | 6.6 | 7.3 | 7.6 | 7.6 | 6.0 |
| 1st year adjustment..... | 8.7 | 8.8 | 8.1 | 8.2 | 8.2 | 9.7 | 10.9 | 11.7 | 12.0 | 7.5 |
| Nonmanufacturing: | | | | | | | | | | |
| Over life of contract..... | 11.1 | 11.4 | 11.5 | 11.5 | 10.6 | 9.3 | 8.9 | 8.2 | 7.6 | 7.9 |
| 1st year adjustment..... | 14.9 | 15.4 | 15.2 | 14.9 | 13.2 | 12.9 | 12.2 | 12.2 | 10.5 | 8.3 |
| Construction: | | | | | | | | | | |
| Over life of contract..... | 14.6 | 14.9 | 14.9 | 15.3 | 14.3 | 11.2 | 10.8 | 11.6 | 8.1 | 7.1 |
| 1st year adjustment..... | 16.3 | 17.4 | 17.6 | 18.1 | 18.4 | 13.5 | 12.6 | 12.5 | 8.7 | 7.8 |
| Wage increases in manufacturing: ⁴ | | | | | | | | | | |
| All establishments..... | 7.0 | 7.1 | 7.1 | 7.0 | 6.9 | 7.6 | 8.1 | 8.0 | 8.0 | (⁵) |
| Union establishments..... | 7.9 | 8.0 | 7.7 | 7.8 | 7.7 | 8.8 | 9.6 | 9.7 | 9.8 | (⁵) |
| Nonunion establishments..... | 5.9 | 5.8 | 6.0 | 5.7 | 5.8 | 5.7 | 5.3 | 5.0 | 5.0 | (⁵) |

¹ Data exclude possible adjustments in wages under cost-of-living escalator clauses (except increases guaranteed by the contract.)

² Preliminary.

³ Limited to private industry settlements affecting 1,000 workers or more (5,000 for wages and benefits combined).

⁴ Averages are limited to establishments in which there were decisions to make general wage-rate increases. Averages for major collective bargaining situations include, in addition to units deciding on general wage increases, units agreeing to reduce wages or to leave wages unchanged. Data for 1971 and 1972 are preliminary.

⁵ Not available.

TABLE 9.—CONSUMER PRICE INDEX FOR SELECTED COMMODITIES AND SERVICES

| | Percent changes for quarter ending— | | | | | September 1971 to September 1972 |
|--|-------------------------------------|----------|-------|-------|-----------|---|
| | 1971 | | | 1972 | | |
| | September | December | March | June | September | |
| SEASONALLY ADJUSTED | | | | | | |
| All items..... | 0.8 | 0.7 | 0.9 | 0.6 | 1.1 | 3.3 |
| All commodities..... | .4 | .5 | .9 | .5 | 1.3 | 3.3 |
| Food..... | .2 | 10.3 | 10.7 | 0 | 1.7 | 4.8 |
| Commodities less food..... | .5 | .2 | .6 | .7 | 1.0 | 2.5 |
| Nondurables less food..... | .9 | .3 | .6 | .3 | .9 | 2.2 |
| Durables..... | .1 | 0 | .7 | .8 | 1.4 | 2.9 |
| NOT SEASONALLY ADJUSTED | | | | | | |
| All items..... | .6 | .7 | .7 | .8 | 1.0 | 3.3 |
| All commodities..... | .2 | .7 | .7 | .3 | 1.1 | 3.3 |
| Food..... | -.1 | 1.0 | 1.7 | .5 | 1.5 | 4.8 |
| At home..... | -.4 | 1.1 | 2.0 | -.2 | 1.6 | 5.0 |
| Meats..... | 1.5 | .3 | 7.4 | -.3 | 3.8 | 11.4 |
| Chicken, frying..... | -.2 | -5.1 | 4.5 | -3.1 | 4.7 | .7 |
| Dairy products..... | .3 | 0 | 1.0 | -.3 | -.1 | .7 |
| Fruits and vegetables..... | -6.8 | 6.7 | -2.4 | 4.8 | -1.2 | 7.8 |
| Cereal and bakery products..... | .4 | -.7 | .9 | -.3 | .1 | 0 |
| Eggs..... | 3.3 | 7.9 | -2.7 | -12.4 | 21.0 | 11.3 |
| Away from home..... | 1.4 | .5 | .9 | 1.2 | 1.2 | 3.8 |
| Nondurables..... | 1.1 | .5 | .1 | .5 | 1.3 | 3.5 |
| Apparel less footwear..... | .5 | 1.2 | -.7 | .6 | .8 | 1.9 |
| Women's and girls..... | 1.2 | 1.6 | -.6 | .1 | 1.1 | 2.1 |
| Men's and boys..... | -.5 | .7 | -1.1 | 1.3 | .5 | 1.4 |
| Footwear..... | .4 | -.7 | -.3 | 1.0 | .8 | 2.9 |
| Gasoline..... | 3.6 | -1.3 | -1.1 | -.5 | 4.4 | 1.7 |
| Drugs and prescriptions..... | 0 | -.1 | .1 | .3 | -.1 | 0 |
| Tobacco products..... | 2.9 | .2 | 2.6 | 1.1 | .1 | 4.1 |
| Alcoholic beverages..... | .8 | .7 | .4 | .2 | .9 | 2.2 |
| Durable commodities..... | -.9 | .7 | .1 | 1.6 | .5 | 2.9 |
| New cars..... | -7.3 | 4.5 | 1.2 | -.4 | -1.5 | 3.8 |
| Used cars..... | -2.2 | -3.9 | -3.1 | 9.1 | 1.1 | 1.8 |
| Furniture and bedding..... | .1 | .3 | .5 | .7 | -.1 | 1.4 |
| Appliances including radio and TV..... | .1 | 0 | 0 | 0 | -.1 | -.1 |
| Services..... | 1.2 | .7 | 1.1 | .8 | .8 | 3.3 |
| Rent..... | .8 | .7 | .9 | .8 | .8 | 3.3 |
| Household less rent..... | 1.9 | 1.4 | 1.2 | .9 | 1.1 | 4.6 |
| Transportation..... | -.2 | .3 | 1.0 | .4 | -.2 | 1.9 |
| Medical care..... | 1.6 | -.2 | 1.2 | .8 | .7 | 2.4 |
| Others..... | 1.0 | .3 | .5 | .7 | .9 | 2.4 |

TABLE 10.—WHOLESALE PRICE INDEX FOR SELECTED INDUSTRIAL COMMODITIES

| | Percent changes for quarter ending— | | | | | September 1971 to September 1972 |
|--|-------------------------------------|----------|-------|------|-----------|---|
| | 1971 | | | 1972 | | |
| | September | December | March | June | September | |
| Seasonally adjusted | | | | | | |
| WPI, all commodities..... | 0.6 | 0.9 | 1.2 | 1.2 | 1.6 | 5.0 |
| Farm products..... | -1.4 | 3.8 | 1.5 | 3.0 | 7.3 | 16.4 |
| Processed foods and feeds..... | .1 | 1.9 | 1.9 | .2 | 2.2 | 6.3 |
| Industrial commodities..... | 1.1 | .2 | 1.0 | 1.2 | .8 | 3.2 |
| Crude materials except food..... | .6 | .6 | 3.5 | .9 | 2.5 | 7.8 |
| Intermediate material except foods..... | 1.5 | .2 | .9 | 1.6 | .6 | 3.4 |
| Finished goods: | | | | | | |
| Consumer nondurables except food..... | .7 | 0 | .6 | .7 | 1.0 | 2.3 |
| Consumer durables..... | .5 | .6 | .8 | .5 | 1.1 | 3.0 |
| Producers' goods..... | .6 | 0 | 1.2 | .8 | .5 | 2.6 |
| NOT SEASONALLY ADJUSTED | | | | | | |
| WPI, all commodities..... | .2 | .8 | .7 | 1.2 | 1.2 | 5.0 |
| Industrial commodities..... | 1.0 | .3 | 1.4 | 1.9 | .7 | 3.2 |
| Textile products and apparel..... | 1.1 | .8 | 1.4 | 1.3 | .6 | 4.2 |
| Cotton products..... | 1.2 | 1.2 | 5.3 | 2.5 | .8 | 10.2 |
| Wool products..... | 0 | -1.1 | 1.5 | 7.8 | 3.0 | 10.8 |
| Manmade fiber products..... | 1.7 | 1.2 | 1.7 | 2.4 | 0 | 5.3 |
| Apparel..... | 1.3 | 0 | .3 | .3 | .8 | 1.3 |
| Hides, skins, leather, and products..... | .4 | 1.3 | 5.9 | 6.4 | 3.7 | 18.3 |
| Hides and skins..... | 3.2 | 9.3 | 35.1 | 17.4 | 19.5 | 107.3 |
| Leather..... | - .8 | 3.2 | 9.7 | 7.9 | 3.5 | 26.5 |
| Footwear..... | 0 | 0 | 2.6 | 4.7 | 1.8 | 8.3 |
| Fuels, related products, and power..... | .8 | -.3 | 1.3 | 1.5 | 1.8 | 4.3 |
| Crude petroleum..... | 0 | 0 | 0 | 2.1 | 1.3 | 3.7 |
| Refined petroleum products..... | .1 | -1.1 | .2 | 2.1 | 2.6 | 3.7 |
| Chemicals and allied products..... | -1 | -0.8 | 0 | .9 | .1 | 1.1 |
| Industrial chemicals..... | .2 | -1.3 | -.1 | .4 | -1 | -1.1 |
| Agricultural chemicals..... | -3.3 | -.7 | .3 | 1.9 | -.3 | 1.1 |
| Rubber and plastic products..... | .9 | -.3 | -.5 | .0 | .6 | -.2 |
| Crude rubber..... | -1 | -.8 | 0 | .1 | .2 | -1.0 |
| Tires and tubes..... | 3.1 | 0 | -2.2 | .3 | .9 | -.5 |
| Lumber and wood products..... | 6.5 | -1.2 | 5.1 | 3.4 | 3.0 | 10.6 |
| Lumber..... | 9.2 | -2.0 | 6.0 | 4.3 | 3.8 | 12.5 |
| Millwork..... | 2.4 | .5 | 1.2 | 2.1 | 1.4 | 5.3 |
| Plywood..... | 8.1 | -1.1 | 9.4 | 2.2 | 2.2 | 13.0 |
| Pulp, paper, and products..... | .4 | .1 | 1.4 | 1.1 | .5 | 3.3 |
| Paper..... | .3 | 0 | .9 | .4 | .4 | 1.7 |
| Converted paper and paperboard..... | .4 | -.1 | 1.9 | 1.2 | 1.0 | 3.6 |
| Metals and metal products..... | 2.2 | -.3 | 2.2 | .2 | .3 | 2.4 |
| Iron and steel..... | 4.4 | -.2 | 2.4 | -.2 | .5 | 2.5 |
| Nonferrous metals..... | .1 | -1.4 | 2.0 | .3 | -.2 | -.8 |
| Machinery and equipment..... | .5 | .2 | 0.9 | .7 | .2 | 2.0 |
| Nonelectrical..... | .6 | .4 | 1.1 | 1.0 | .3 | 2.7 |
| Electrical..... | .3 | -.4 | .7 | .5 | 0 | .8 |
| Furniture and household durables..... | .4 | 0 | .6 | .3 | .7 | 1.6 |
| Household furniture..... | .3 | -.1 | 1.1 | .3 | .4 | 1.8 |
| Floor covering..... | -.8 | .3 | .3 | .4 | .4 | 1.4 |
| Household appliances..... | .5 | -.2 | 0 | -.3 | .9 | .5 |
| Nonmetallic mineral products..... | 1.6 | 0 | .5 | .8 | .9 | 2.2 |
| Concrete ingredients..... | 2.1 | .1 | .3 | 1.8 | 1.2 | 3.4 |
| Concrete products..... | 2.1 | .2 | 1.3 | .6 | .8 | 3.0 |
| Transportation equipment..... | -.4 | 3.0 | .7 | .4 | 0 | 4.2 |
| Passenger cars, new..... | -1.3 | 4.3 | .4 | -.3 | 0 | 4.3 |
| Railroad equipment..... | 1.4 | .1 | 3.8 | 1.8 | .5 | 6.3 |
| Miscellaneous products..... | .4 | .2 | .9 | .0 | .9 | 1.9 |
| Tobacco products..... | .3 | -.1 | .6 | .1 | 0 | .6 |

TABLE 11.—REVISED INDEXES OF OUTPUT PER MAN-HOUR, HOURLY COMPENSATION AND UNIT LABOR COSTS 1969-70 (INDEXES 1967 EQUALS 100)

[Seasonally adjusted]

| Year and quarter | Output per man-hour | Output | Man-hours | Compensation per man-hour ¹ | Real compensation per man-hour ² | Unit labor cost | Unit nonlabor payments ³ | Implicit price deflator ⁴ |
|----------------------------------|---------------------|--------|-----------|--|---|-----------------|-------------------------------------|--------------------------------------|
| TOTAL PRIVATE | | | | | | | | |
| 1969: | | | | | | | | |
| 1st..... | 103.6 | 107.3 | 103.6 | 112.5 | 104.8 | 108.6 | 102.4 | 106.2 |
| 2d..... | 103.4 | 107.7 | 104.2 | 114.7 | 105.1 | 110.9 | 102.4 | 107.6 |
| 3d..... | 103.3 | 108.2 | 104.7 | 116.7 | 105.4 | 112.9 | 102.6 | 108.9 |
| 4th..... | 103.1 | 107.5 | 104.2 | 119.5 | 106.5 | 115.8 | 101.7 | 110.4 |
| Annual average..... | 103.3 | 107.7 | 104.2 | 115.8 | 105.5 | 112.1 | 102.4 | 108.3 |
| 1970: | | | | | | | | |
| 1st..... | 102.8 | 106.8 | 103.9 | 121.5 | 106.6 | 118.2 | 101.7 | 111.8 |
| 2d..... | 103.9 | 107.3 | 103.2 | 123.3 | 106.5 | 118.7 | 103.6 | 112.8 |
| 3d..... | 105.6 | 107.9 | 102.1 | 126.1 | 107.7 | 119.4 | 105.3 | 113.9 |
| 4th..... | 105.1 | 106.5 | 101.3 | 127.7 | 107.7 | 121.5 | 106.4 | 115.6 |
| Annual average..... | 104.3 | 107.1 | 102.6 | 124.6 | 107.1 | 119.4 | 104.3 | 113.5 |
| PRIVATE NONFARM | | | | | | | | |
| 1969: | | | | | | | | |
| 1st..... | 103.1 | 107.4 | 104.2 | 111.9 | 104.3 | 108.5 | 102.3 | 106.2 |
| 2d..... | 102.9 | 108.1 | 105.0 | 113.8 | 104.3 | 110.6 | 102.3 | 107.4 |
| 3d..... | 102.7 | 108.5 | 105.7 | 115.6 | 104.4 | 112.5 | 102.6 | 108.8 |
| 4th..... | 102.3 | 107.9 | 105.4 | 118.0 | 105.2 | 115.4 | 101.4 | 110.1 |
| Annual average..... | 102.7 | 108.0 | 105.1 | 114.8 | 104.6 | 111.8 | 102.2 | 108.1 |
| 1970: | | | | | | | | |
| 1st..... | 101.8 | 107.0 | 105.1 | 119.9 | 105.2 | 117.7 | 101.3 | 111.5 |
| 2d..... | 103.0 | 107.3 | 104.2 | 122.0 | 105.4 | 118.4 | 103.6 | 112.8 |
| 3d..... | 104.7 | 108.1 | 103.2 | 124.6 | 106.5 | 119.0 | 105.4 | 113.9 |
| 4th..... | 103.9 | 106.5 | 102.5 | 126.1 | 106.3 | 121.3 | 106.9 | 115.9 |
| Annual average..... | 103.4 | 107.2 | 103.8 | 123.1 | 105.8 | 119.1 | 104.3 | 113.5 |
| MANUFACTURING⁵ | | | | | | | | |
| 1969: | | | | | | | | |
| 1st..... | 106.7 | 110.1 | 103.2 | 111.3 | 103.7 | 104.3 | (⁶) | (⁶) |
| 2d..... | 106.8 | 111.1 | 104.0 | 113.0 | 103.5 | 105.7 | (⁶) | (⁶) |
| 3d..... | 108.0 | 112.5 | 104.2 | 115.0 | 103.9 | 106.5 | (⁶) | (⁶) |
| 4th..... | 107.2 | 110.7 | 103.3 | 116.6 | 103.9 | 108.8 | (⁶) | (⁶) |
| Annual average..... | 107.4 | 111.3 | 103.7 | 114.0 | 103.8 | 106.2 | (⁶) | (⁶) |
| 1970: | | | | | | | | |
| 1st..... | 105.9 | 107.6 | 101.6 | 118.4 | 104.0 | 111.9 | (⁶) | (⁶) |
| 2d..... | 108.1 | 107.5 | 99.4 | 120.9 | 104.5 | 111.8 | (⁶) | (⁶) |
| 3d..... | 109.6 | 106.8 | 97.4 | 124.0 | 106.0 | 113.1 | (⁶) | (⁶) |
| 4th..... | 109.0 | 102.3 | 33.8 | 125.5 | 105.8 | 115.1 | (⁶) | (⁶) |
| Annual average..... | 108.1 | 106.0 | 98.1 | 122.1 | 105.0 | 113.0 | (⁶) | (⁶) |

¹ Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also includes an estimate of wages, salaries and supplemental payments for the self-employed.

² Compensation per man-hour adjusted for changes in the Consumer Price Index.

³ Nonlabor payments include profits, depreciation, interest, rental income and indirect taxes.

⁴ Current dollar gross product divided by constant dollar gross product.

⁵ Quarterly measures adjusted to annual estimates of output (gross product originating) from the Bureau of Economic Analysis, U.S. Department of Commerce.

⁶ Not available.

Source: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce and the Federal Reserve Board. Compensation and man-hours data from the Bureau of Labor Statistics, U.S. Department of Labor and the Bureau of Economic Analysis.

TABLE 12.—RECONCILIATION OF BLS DATA ON BARGAINED WAGE INCREASES WITH AVERAGE HOURLY EARNINGS AND HOURLY COMPENSATION FOR ALL PRIVATE NONFARM WORKERS SO FAR IN 1972

| Item | Workers covered by action | | | All workers ¹ | | |
|--|--------------------------------|-------------------------------|---------------------------|--------------------------------|-------------------------------|---------------------------|
| | Period covered | Number of workers (thousands) | Mean adjustment (percent) | Period covered | Number of workers (thousands) | Mean adjustment (percent) |
| Major collective bargaining situations: | | | | | | |
| Private nonfarm industries, union workers in contracts covering 1,000 plus workers: | | | | | | |
| Negotiated first-year wage increases | Jan. 1 1972 to Sept. 30, 1972 | 1,471 | 7.2 | | | |
| Deferred and cost-of-living allowance | do | 7,493 | 5.0 | | | |
| Total | do | 8,964 | 5.3 | Jan. 1, 1972 to Sept. 30, 1972 | 10,500 | 4.6 |
| Private nonfarm economy, union and nonunion workers: ² | | | | | | |
| Gross average hourly earnings (production workers) | | | | January to October 1972 | 48,960 | 4.8 |
| Hourly earnings index (production workers) | | | | January to October 1972 | 48,960 | 4.1 |
| All employees, wages and benefits | | | | 1971 IV to 1972 III | 69,700 | 4.8 |
| Private nonfarm economy, excluding construction, union workers in contracts covering 1,000 plus workers: | | | | | | |
| Negotiated first-year wage increases | Jan. 1, 1972 to Sept. 30, 1972 | 1,160 | 7.2 | | | |
| Deferred and cost-of-living allowance | do | 7,001 | 4.9 | | | |
| Total | do | 8,161 | 5.1 | Jan. 1 to Sept. 30, 1972 | 8,900 | 4.8 |
| Private nonfarm economy, excluding construction, union and nonunion workers: ² | | | | | | |
| Gross average hourly earnings (production workers) | | | | January to October 1972 | 46,060 | 4.9 |
| Hourly earnings index (production workers) | | | | do | 46,060 | 4.2 |
| Construction, union workers in contracts covering 1,000 plus workers, wages: | | | | | | |
| Negotiated first-year increases | Jan. 1, to Sept. 30, 1972 | 312 | 7.1 | | | |
| Deferred and cost-of-living allowance | do | 492 | 7.5 | | | |
| Total | do | 804 | 7.4 | Jan. 1, to Sept. 30, 1972 | 1,600 | 3.7 |
| Wages and benefits: | | | | | | |
| Negotiated first-year increase, all | | | | do | 312 | 7.8 |
| Negotiated prior to Nov. 15, 1971 | | | | do | 46 | 14.2 |
| Negotiated after Nov. 15, 1971 | | | | do | 266 | 6.7 |
| Construction, union and nonunion workers: ² | | | | | | |
| Gross average hourly earnings (production workers) | | | | January to October 1972 | 2,900 | 3.2 |
| Hourly earnings index (production workers) | | | | do | 2,900 | 3.3 |

¹ Including those workers who received no increase in wages.

² Data are seasonally adjusted.

MEASURES OF PRICE, WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE
ECONOMIC STABILIZATION PROGRAM

1. SUMMARY

[Seasonally adjusted percent change, compound annual rate]

| | 1969 | 1970 | 1971 prior to phase I | Phase I | Phase II to Sep- tember 1972 | Phases I and II to Sep- tember 1972 |
|---|------|------|-----------------------------|---------|------------------------------------|--|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Consumer price index: All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.5 | 3.2 |
| Wholesale price index: Industrial commodities..... | 3.9 | 3.6 | 4.7 | - .5 | 13.5 | 12.6 |
| Hourly earnings, private nonfarm production workers: | | | | | | |
| In current dollars..... | 6.5 | 6.8 | 7.1 | 3.1 | 17.0 | 16.1 |
| In constant dollars..... | .4 | 1.2 | 3.2 | 1.1 | 3.1 | 2.6 |
| Productivity and costs, private nonfarm: | | | | | | |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 5.5 | 4.8 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.0 | 1.2 |

¹ Data through October.

Source: Bureau of Labor Statistics, November 1972.

MEASURES OF PRICE, WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE ECONOMIC STABILIZATION PROGRAM—Continued

2. MONTHLY SERIES

[Seasonally adjusted percent change, compound annual rate]

| | 12 months (December 1968, to December 1969) | 12 months (December 1969, to December 1970) | 8 months prior to phase I (December 1970 to August 1971) | 3 months, phase I (August November 1971) | 10 months, phase II (November 1971, to September 1972) | 13 months phases I and II (August 1971, to September 1972) |
|--|---|---|--|--|---|--|
| Consumer price index: | | | | | | |
| All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.5 | 3.2 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 4.9 | 4.2 |
| Commodities less food.. | 4.5 | 4.8 | 2.9 | 0 | 3.0 | 2.3 |
| Services ² | 7.4 | 8.2 | 4.6 | 3.1 | 3.5 | 3.4 |
| Rent ² | 3.8 | 4.5 | 4.3 | 2.8 | 3.4 | 3.3 |
| Wholesale price index: | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | -2 | 15.2 | 14.0 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | -5 | 13.5 | 12.6 |
| Farm products, processed foods, feeds ³ | 7.5 | -1.4 | 6.5 | 1.1 | 19.6 | 17.7 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | 14.1 | 12.9 |
| Consumer foods ³ | 8.2 | -2.5 | 6.8 | .3 | 17.1 | 15.6 |
| Consumer commo- dities excluding food..... | 2.9 | 4.0 | 2.2 | -4 | 12.2 | 11.6 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | 12.5 | 11.5 |
| Spot market price index, industrial materials ^{3,4} | 16.4 | -8.8 | -4 | 3.1 | 121.7 | 117.5 |
| Private nonfarm produc- tion workers: | | | | | | |
| Earnings in current dollars: | | | | | | |
| Hourly ⁵ | 6.5 | 6.8 | 7.1 | 3.1 | 17.0 | 16.1 |
| Gross weekly..... | 6.2 | 4.1 | 6.9 | 5.8 | 17.8 | 17.4 |
| Spendable weekly ⁶ .. | 4.9 | 4.5 | 7.6 | 5.2 | 18.3 | 18.0 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁵ | .4 | 1.2 | 3.2 | 1.1 | 3.1 | 2.6 |
| Gross weekly..... | .1 | -1.3 | 3.0 | 3.8 | 4.0 | 3.9 |
| Spendable weekly ⁶ .. | -1.1 | -9 | 3.7 | 3.2 | 4.6 | 4.6 |

¹ Data through October.² Not seasonally adjusted; data contain almost no seasonal movements.³ Raw agricultural products are exempt from the price controls.⁴ Weekly index, not a component of wholesale price index. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.⁵ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.⁶ Gross weekly earnings, after taxes, for worker with 3 dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

Note: Bureau of Labor Statistics—November 1972.

MEASURES OF PRICE, AND WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE ECONOMIC
STABILIZATION PROGRAM—Continued

3. QUARTERLY SERIES

[Seasonally-adjusted percent change, compound annual rate]

| | IV—1968 to IV—1969 | IV—1969 to IV—1970 | IV—1970 to II—1971 | Phase I, II—1971 to IV—1971 | Phase II, IV—1971 to III—1972 | Phases I and II, II—1971 to III—1972 |
|---|--------------------------|--------------------------|--------------------------|--------------------------------------|--|--|
| GNP price deflators: | | | | | | |
| Total..... | 5.3 | 5.3 | 5.1 | 2.0 | 3.0 | 2.7 |
| Private, fixed weights..... | 5.1 | 4.5 | 5.0 | 2.6 | 3.2 | 3.0 |
| Personal consumer expenditure, fixed weights..... | 5.0 | 4.3 | 4.5 | 2.4 | 2.9 | 2.7 |
| Private nonfarm: | | | | | | |
| Hourly compensation..... | 6.9 | 6.8 | 7.5 | 5.8 | 6.4 | 6.0 |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 5.5 | 4.8 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.0 | 1.2 |
| Unit nonlabor payments..... | -6 | 6.0 | 7.2 | 1.0 | 4.1 | 3.0 |
| Price deflator..... | 4.8 | 5.2 | 4.3 | 1.4 | 2.1 | 1.8 |
| Real hourly compensation..... | 1.0 | 1.1 | 3.6 | 2.6 | 3.0 | 2.6 |
| Corporate nonfinancial: | | | | | | |
| Hourly compensation..... | 7.2 | 7.3 | 6.7 | 5.8 | 1 7.1 | 1 6.5 |
| Output per man-hour..... | 1.0 | 1.3 | 6.6 | 4.6 | 1 5.8 | 1 5.5 |
| Unit labor costs..... | 6.2 | 5.9 | .1 | 1.1 | 1 1.8 | 1 1.0 |
| Unit nonlabor costs..... | 7.9 | 10.1 | .8 | 6.0 | 1 -1.3 | 1 2.3 |
| Unit profits..... | -20.1 | -15.2 | 42.7 | -10.5 | 1 19.4 | 1 3.3 |
| Price deflator..... | 2.8 | 4.5 | 3.8 | 1.0 | 1 2.0 | 1 1.5 |
| Real hourly compensation..... | 1.3 | 1.5 | 2.9 | 2.5 | 1 3.7 | 1 3.1 |
| Mean percentage adjustment, decisions reached during period | | | | | | |
| | 1969 | 1970 | I and II— 1971 | III and IV— 1971 | I to III— 1972 | III—1971 to III—1972 |
| Negotiated wage changes, all industries: | | | | | | |
| Wages and benefits, 1st year..... | 10.9 | 13.1 | 10.9 | 14.6 | 2 8.5 | 2 12.5 |
| Wages, 1st year..... | 9.2 | 11.9 | 10.2 | 2 12.9 | 2 7.2 | 2 10.7 |

1 Data through 2d quarter.

2 Preliminary.

Source: Bureau of Labor Statistics, November 1972.

THE PACE OF THE CURRENT ECONOMIC EXPANSION

| | Latest month or quarter, 1972 | Months after business cycle trough | Current expansion (from November 1970) | Median of 4 previous expansions | Percent change from previous business peak to corresponding month after trough ¹ | | | |
|--|-------------------------------------|--|--|--|---|---------|---------|---------|
| | | | | | Previous expansions | | | |
| | | | | | 1961-63 | 1958-60 | 1954-56 | 1949-51 |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| 1. Unemployment rate: | | | | | | | | |
| (a) Level..... | October..... | 23 | 5.5 | 4.9 | 5.7 | 5.4 | 4.4 | 3.3 |
| (b) Change from peak..... |do..... | 23 | +2.0 | +7 | +6 | +1.2 | +1.8 | -5 |
| 2. Civilian labor force..... |do..... | 23 | 6.6 | 2.0 | 2.1 | 2.0 | 6.0 | 1.5 |
| 3. Civilian employment, household survey..... |do..... | 23 | 4.6 | 1.8 | 1.5 | .2 | 3.9 | 2.2 |
| 4. Nonfarm employment, establishment survey..... |do..... | 23 | 3.8 | 2.8 | 2.9 | 2.6 | 2.8 | 5.9 |
| 5. GNP, constant dollars..... | 3d quarter.... | 21 | 9.7 | 8.8 | 9.9 | 7.7 | 7.0 | 18.3 |
| 6. Industrial production..... | September.... | 22 | 4.4 | 9.2 | 9.3 | 9.1 | 5.5 | 16.9 |
| 7. Personal consumption expenditures, in constant dollars..... | 3d quarter.... | 21 | 12.0 | 8.8 | 8.5 | 8.5 | 11.5 | 9.0 |
| 8. Retail sales, constant dollars..... | September.... | 22 | 11.6 | 7.9 | 8.0 | 5.2 | 13.4 | 7.8 |
| 9. Housing starts..... |do..... | 22 | 79.1 | 16.4 | 21.8 | 28.6 | -1.9 | 11.0 |
| 10. Leading indicator index..... |do..... | 22 | 24.5 | 18.2 | 15.4 | 17.7 | 23.5 | 18.8 |
| 11. Output per man-hour, private nonfarm..... | 3d quarter.... | 21 | 10.5 | 9.8 | 10.2 | 7.4 | 6.1 | 13.1 |
| 12. Consumer price index, rate of change (6-month span): | | | | | | | | |
| (a) Level..... | September.... | 22 | 3.4 | 1.4 | 1.2 | 1.7 | 2.1 | .2 |
| (b) Change from peak..... |do..... | 22 | -2.5 | -7 | -3 | -2.1 | +9 | -1.1 |

¹ The dates of the previous business cycle peaks, designated by the National Bureau of Economic Research, Inc., are: November 1969, May 1960, July 1957, July 1953, and November 1948. The business cycle trough dates are: November 1970, February 1961, April 1958, August 1954, and October 1949.

Source: Bureau of Labor Statistics, November 1972, based on data supplied by the Bureau of Economic Analysis, U.S. Department of Commerce.

Mr. MOORE. Well, turning to the employment report, as we indicate in our press release, the unemployment rate remained at 5.5 percent this month as it has been since June roughly at the 5.5 percent level. However, during the past year, looking at it as a whole and looking particularly at the quarterly figures which are in table A of the press release, you can see something of a downtrend in the rate of unemployment.

It was 6 percent in the third quarter of 1971 and it declined one-tenth of a percent each quarter since then on this quarterly average basis so that in the third quarter of 1972 it was 5.6 and this month, in October, the first month of the fourth quarter, it was 5.5 percent.

Employment continued to rise in October by 260,000. That is a continuation of the steady rise that began in 1971. The increase in the last 15 months, since July of 1971, now stands at 3.2 million persons; more people with jobs. That is one of the largest increases for a 15-month period in the whole 25 years for which we have this record.

The only other time in which it was exceeded over a similar length of time was in 1954-56. So there has been a remarkable increase in the

number of people with jobs during this period, and it was sustained in October.

The payroll employment statistics which are independently derived also rose by some 300,000 in October compared with September. They, too, have been rising fairly steadily during this period.

The unemployment rates for most of the major demographic groups didn't change much from the September levels, as is indicated in the press release.

One of the important changes, though, was the rate for teenagers which declined from 16.5 to 15.3 percent.

Looking at the occupational groups, again, for many of those groups—the unemployment rates remained at about the same level. There were two exceptions to that pattern: The rate for workers in the service occupations which had risen sharply from August to September, dropped back to the August level and the rate of unemployment for workers in the construction industry rose from 9.2 to 10.6 percent.

I think it is interesting to look at the unemployment for people who have actually lost their jobs. Not all people who are counted as unemployed lost their jobs. Unemployment means that people are looking for work and many of the younger people are seeking jobs for the first time or other people are reentering the labor force after being out of the labor force for some period of time. But concentrating only on those who actually lost their jobs, the number is now 1.9 million in October. That is the lowest count for that group in the 2 last years.

Another important development during the month was the trend in the unemployment rate for veterans. That rate in October was 6.4 percent for veterans 20 to 29 years of age. It is now just about the same as the nonveteran rate, which was 6.6 percent for the same age group.

As you may recall, the veterans' rate has dropped fairly steadily, though in stages, throughout 1972; it was 8 percent in the first 5 months and about 7.5 percent in June through August and in the last 2 months about 6.5 percent.

The payroll statistics that I mentioned earlier show a substantial gain in employment in October. The workweek, however, remained the same at 37.3 hours in nonfarm activities as a whole. Also in manufacturing the workweek remained at 40.7 hours. In manufacturing, the workweek has just about recovered all of the decline that took place between 1969-70.

Average hourly earnings that are covered in this release showed an increase when put in terms of our hourly earnings index of 0.8 of 1 percent between September and October. The index now stands at 6.4 percent above the figure a year ago. That, of course, is considerably higher than the rate of increase in the consumer price index which we have through September. The CPI has gone up about 2.5 percent since September a year ago and consequently, real earnings after allowing for price changes have advanced considerably.

The wholesale price index press release showed that the all commodities index rose 0.1 of 1 percent on a seasonally adjusted basis while the industrial commodities component declined 0.1 of 1 percent. There has been a considerable slowing down in the rate of increase in both of those indexes in the October figures.

One of the two tables that I have asked to be placed in the record shows the trend in wages, prices, and productivity before and during

the stabilization program that began in August 1971. The first page summarizes some of the more important statistics on prices, wages, and productivity.

The consumer price index shows an average rate of increase of 3.5 percent during phase II. If you combine the freeze period of phase I with phase II, it averages down to 3.2 percent or just a little higher than 3 percent considering the stabilization period as a whole.

For the industrial commodities index, the average annual rate of increase during phase I was 3.5 percent and during phases I and II together a little more than 2.5 percent.

Hourly earnings in current dollars—that is the way people are paid—show an increase during phase II at an annual rate of 7 percent; including the freeze period it comes down to 6.1 percent.

After allowing for the rise in the consumer price index, the real earnings per hour averaged out to 3.1 percent during phase II and a little more than 2.5 percent during the whole of the stabilization period. Those rates of increase in real earnings greatly exceeded what was happening in 1969–70 and going back still further into 1966–67, and so on.

Output per man-hour has shown a vigorous rise during the stabilization period. In phase II alone, it averages to 5.5 percent for the private, nonfarm sector and taking the whole of the stabilization period, 4.8 percent.

Because of this rise in productivity, unit labor costs—which are determined by how fast wages go up as compared with productivity—have shown only about a 1-percent increase during this period. This is a very much more stable record than in the period before 1971.

The final table in my exhibits is something I have called the pace of the current economic expansion. It brings together the increases in various economic activities during the period of this expansion which in October was in its 23d month. It compares each of the measures with their changes during a similar period of 23 months in the four previous expansions since 1948 in the United States.

The first line in the table on the unemployment rate shows that the 5.5 percent rate in October which we reported today is about the same level as in the 23d month of two of the preceding expansions, the one in 1963 and the one in 1960 when the rates were 5.7 and 5.4 in the 23d month; but it is higher than the rates in the two expansions before that.

Chairman PROXMIRE. Could I ask at that point, Mr. Moore—

Mr. MOORE. Yes.

Chairman PROXMIRE. This does not have the level of unemployment at the beginning of the expansion period in each case. It seems to me that on that basis the comparison would make this expansion quite adverse with respect to unemployment, at least; perhaps I am wrong or do you have that somewhere here?

Mr. MOORE. Well, we have it indirectly. The second line of the table shows how many percentage points the current rate is above the rate that it was at the peak of the business cycle and the 5.5 percent rate now is 2 percentage points above that.

Chairman PROXMIRE. That is not what I had in mind.

What I had in mind was how much progress we have made in reducing unemployment from the high rate of unemployment at the

beginning and in the trough, at the beginning of the expansion period. Do you get my point?

When you go back 23 months, unemployment was about 5.5 percent or at the same level maybe it was 6 percent.

Mr. MOORE. No, no, it was 3.5 percent at the business cycle peak. I am sorry. I really didn't—

Chairman PROXMIRE. If you go back 23 months from the present, it was what—2 years ago, 5.5 percent?

Mr. MOORE. The rate of unemployment—do you mean that?

Chairman PROXMIRE. Yes, sir.

Mr. MOORE. The unemployment rate in November 1970, which is the business cycle trough—

Chairman PROXMIRE. That's right.

Mr. MOORE (continuing). Was 5.8 percent.

Chairman PROXMIRE. So this has only been a drop, during this 23-month expansion, 2-year expansion, of only from 5.8 to 5.5 percent unemployment?

Mr. MOORE. That is correct.

Chairman PROXMIRE. We don't have the figures from these other areas but my guess is that this is by far the smallest diminution in unemployment we have had in any of these periods; is that correct or isn't it correct?

Mr. MOORE. I haven't actually made that comparison. We could easily supply it for the record. I have not actually made it.

Chairman PROXMIRE. Certainly in 1958-60 we had a higher unemployment than 5.7 and in 1961-63, as I recall, unemployment was around 7 percent, wasn't it? So those were periods when we certainly had a much sharper drop and I would guess that this is by far the poorest performance with respect to recovery from unemployment in an expansion period that we have had in any of the five periods.

Mr. MOORE. Well, the point of this table and the reason why I have organized it on this basis, is that it seems to me after an expansion has been going on for some time it is important to compare the current levels of activity with where the economy was when it was at its best—that is, before the recession that preceded the expansion. So in each of these cases where we have made comparisons with the preceding levels, it is the level from—the change from the level reached at the previous business cycle peak, which was in November 1969, and that, in general, was the best level we had reached up to that point.

So, in the case of unemployment, it is clear we have not gone back to the low level of unemployment—3.5 percent—that prevailed at the time business began to decline late in 1969.

Chairman PROXMIRE. We are very close to the level we were at the beginning of the expansion?

Mr. MOORE. Yes, but turning to the other figures in the table, employment—line 3 of the table—shows an increase of 4.6 percent above the level of civilian employment at the previous business peak in November 1969. That is clearly the best expansion over this same corresponding interval in any of the four expansions that we have had in the postwar period, the second best being 3.9 percent.

For nonfarm employment—the establishment survey figures—we have had an increase this time of 3.8 percent above the November 1969, peak level and that is next to the best of the four that preceded it.

In the case of GNP in constant dollars, the 9.7-percent increase also exceeds the average of the preceding four periods.

Chairman PROXMIRE. If I could revert to what the staff has done so spectacularly in showing what happened to unemployment, the unemployment rate went from 1951 to 1954, unemployment dropped from 6.4 to 5.3; from 1954 to 1958 from 7.3 to 5.3; from 1958 to 1961, 7.3 to 6.0; from 1961 to 1963 it dropped from 6.9 to 5.7.

Now, in every case there was a clear, emphatic, almost dramatic drop in unemployment during expansion.

This time unemployment was at 5.8 at the beginning of the period, 5.5 at the end and by far the poorest performance in getting unemployment down.

Mr. MOORE. And the reason for it, one reason for it, is indicated by the figures on the civilian labor force—line 2 in the table—which—in my type of comparison—shows a 6.6-percent increase this time, which exceeds the increase in every other expansion that we have a record of in this table and is about three times as large as the average.

So the labor force has grown very rapidly, and as a result, despite the exceedingly rapid increase in employment, unemployment has failed to decline very much, as you pointed out.

Chairman PROXMIRE. If I can interrupt you again, to put this in context, aren't we going to be plagued with this kind of a problem for the next 5 or 10 years because of demographic problems because so many people will be coming out of high school and college and because of the age factors, because we have established a pattern, more women working and more young people wanting to work at an earlier age, absent a change in policy or something with respect to the retirement age—doesn't that appear to be exactly the kind of problem that our policy should be designed to cope with, a consistently expanding work force?

I don't ask you to forecast—but doesn't that seem logical in view of the facts of life, demographic and other factors?

Mr. MOORE. Well, for certain groups in the labor force, I think our projections over a longer term future show increases, particularly in those in the ages 25 to 34, but for teenagers they don't show that and that, of course, is where some of the highest unemployment rates have been.

So I think that type of increase in teenage labor force participation as we project it is not likely to persist over many years; but it has been a factor up until now, very clearly.

Well, in general, it seems to me while some of the figures in this table show poorer than average performance—industrial production is one of them—for the most part the figures show a relatively favorable comparison with earlier expansions.

A spectacularly favorable comparison is housing starts which have had a tremendous increase; and productivity has done very well—line 11 on the table.

In terms of the consumer price index and its rate of change—the last two lines in the table—the rate of increase shown here is taken over the last 6 months; it is 3.4 percent and that is clearly at a higher rate than we have experienced in earlier expansions.

On the other hand, the decline in the rate down to 3.4 percent has been considerably greater than in any of the earlier experiences of this type.

So we have made more progress in that sense but we still have further to go to get to a more stable price level.

Chairman PROXMIRE. We still are, right now, 2.5 percentage points above the average rate and far higher than any other inflation rate that we have had in any of the prior periods; isn't that correct?

Mr. MOORE. That is correct, but just as you pointed out with the unemployment rate, we have come down a long ways.

Chairman PROXMIRE. Yes.

Mr. MOORE. Well, that concludes my remarks.

Chairman PROXMIRE. You say in your statement that the unemployment rate dropped from 6.0 in the third quarter of 1971 to 5.9 in the fourth quarter, to 5.8, to 5.7 in successive quarters to 5.6 and so forth. You seem to indicate that this is a steady and encouraging development. But this is by quarter and it is only one-tenth of 1 percent per quarter. At this rate of one-tenth of 1 percent per quarter, we won't get back to the 4-percent level of unemployment before the end of 1976.

Doesn't that seem to be snail's pace progress?

Mr. MOORE. Well, again, I am not going to forecast but it certainly is one-tenth of 1 percent per quarter; that is correct.

Chairman PROXMIRE. In the past 4 years the rise in unemployment has often been attributed by the administration, most conspicuously by Mr. Erlichman and Mr. Haldeman—Mr. Erlichman—as being an increase in unemployment for women and teenagers in the labor force.

The staff has done, I think, some very helpful work—the staff of this committee—in examining the statistics. They show the sharpest increase in unemployment since January of 1969 has been among adult men, particularly among those who have been married and not among teenagers and women.

The increase for all workers has been from 3.4 to 5.5 percent, an increase of 62 percent. For women it has been an increase—I should say for teenagers—an increase of 30 percent; for women an increase of 49 percent; but for adult men an increase of 95 percent and for married men 100 percent, by far the biggest increase.

So I think the impression that people have gotten that the only unemployment problem is among teenagers and women and perhaps aggravated among minority groups, teenagers and women is not borne out by that kind of analysis in the statistics and I would like to read you a letter I got this morning from Wisconsin, from one of my constituents, and it goes to the heart of the matter.

It clearly indicates the public will not be misled into thinking along the lines of John Erlichman, that unemployment is down to teenage blacks and welfare mothers.

The letter reads in part:

I'll bet the unemployment figure realistically is a damn sight closer to 10 percent than 4, and if it's all students, try to convince the one of many "old bucks" that tried for a retail clerk's position at Northridge this week.

I am an advertising-promotion, public relations man of 55 who's been "looking" for 9 months. Ask Washington for me, please, what program they have for people of 50 to 62. We are disadvantaged as anyone—yet have no classification—and no future—no hopes—no income.

It seems to me that adult men have borne the brunt of the 1969 to 1970 recession, not the women and teenagers, although their unemployment has also increased to a significant degree.

Would you agree or disagree, Mr. Moore, that married men, the principal wage earners in many American families, have suffered the greatest increase in joblessness percentage-wise in the past 4 years?

MR. MOORE. Well, I think percentagewise that statement is correct; but one thing you have to take into account in calculating percentages is that you frequently get very large percentages when you start from a very low base. The rates of increase in terms of percent of the labor force for each of the groups that you cited, I think, would give you a different result. I don't have the figures in front of me, but in terms of the percentage point change in the unemployment rate, which would show what fraction of their labor force had become unemployed compared with January 1969—

Chairman PROXMIRE. Well, the point I want to make—you say, Mr. Moore, there is an actual increase in the amount of unemployed is very decisive among men and married men and, furthermore, these are the groups which have been traditionally employed and perhaps the groups where there is the greatest tragedy because, by and large, these are the principal breadwinners for the family, and we have had low unemployment levels in the past.

January 1969, as I say, was down to 1.4 percent for married men and now it is double that; 2.8 percent is a disastrous figure far higher than it is in other countries. It is, as I say, far, far higher than it was at the beginning of this administration's term.

MR. MOORE. My point was that the increase is 1.4 percent of their labor force and as I say, I don't have the other figures in my head but I think the increase in other groups in terms of the percent of the labor force that became unemployed would be larger than that.

Chairman PROXMIRE. Yes, but what I was trying to do is to meet the argument that has been made that the principal increase in unemployment has been among women and among teenagers. I think it is a tragedy when women and teenagers are unemployed and we all think so; but I think this position that has been taken by top figures in the administration just isn't the case.

The problem has been one that has been very serious among married men and adult generally.

MR. MOORE. If you take a longer view, the facts are that there has been an important shift in the composition of the labor force with many more teenagers and many more women in the labor force now than was true 20 years ago; and it seems to be a characteristic of both teenagers and women that higher percentages of them are unemployed typically, whether times are very good or times are bad. Consequently, when you have a larger fraction of the labor force composed of teenagers and women that tends to lift the overall unemployment rate.

Chairman PROXMIRE. But weren't there almost two—

MR. MOORE. And that has made a substantial difference over several decades in the level of the unemployment rate that we look at, because the high rates that teenagers experience and that women experience are reflected to a much larger extent in the overall unemployment rate than when they were less significant factors in the total.

Chairman PROXMIRE. The fact is, however, that in all these categories, women, teenagers, and so forth, the biggest category of unemployed is adult men that there were nearly 2 million adult men out of work this month—October, last month—an increase, incidentally, of some 50,000, almost 50,000.

MR. MOORE. Mr. Chairman, I don't mean in any way to deprecate the unemployment of anybody but I do think you have to take into account these longer run trends. In the case, for example, of adult men, men

over 25 years of age, if you compare the situation now with another peacetime, prosperous period like 1955, you will find that there are fewer adult men unemployed today than was true in that relatively prosperous year, despite the fact there are many more such adult men in the population. So their unemployment rate looks a good deal better today than it does in that year of 1955, which many people consider to be a relatively full employment year.

So while those men are unemployed and there is no inclination on my part to deprecate that situation, at least the position today is not very different—in fact, it is better for that group than was true in the prosperous year 1955, when we were also basically in a peacetime economy.

Chairman PROXMIRE. Now, this morning at 11 o'clock Mr. Stein said that the figures show a declining risk and burden of unemployment. In comparing June with October of 1972, I just can't see that and I can't see that comparing any period over the last 5 years. The unemployment figures for all categories of workers are almost exactly the same now as they were in June of 1972, adult men approximately the same, adult women approximately the same, teenagers a worse situation, blacks a substantially worse situation—it has gone up from 9.4 to 10.1 percent.

At any rate, the figures overall are just about the same.

How, in your view, as a distinguished economist, could another very able economist—I think Mr. Stein certainly is—how could he come to the conclusion that there is a declining risk and burden of unemployment when we have exactly the same level, the same high level that we had in June of this year?

Where is the declining risk?

Mr. MOORE. I don't know to what period he was referring, but if he was going back—

Chairman PROXMIRE. Take any period in the last 5 months.

Mr. MOORE. What is that?

Chairman PROXMIRE. Pick any period in the last 5 months; June, July, August, and September.

Mr. MOORE. But I don't know that he was talking about any period within the last 5 months. If he went back, say, a year, then the unemployment rate clearly is lower than it was a year ago.

Chairman PROXMIRE. Well, all the drop took place, though, before last June. He is commenting on the figures that are out today. There certainly isn't any trend that is established which would be encouraging.

Mr. MOORE. Well, it depends on how you look at the trends. As I showed you with the quarterly figures, I think they do show a declining trend and I believe that was observable in the monthly figures.

Chairman PROXMIRE. When you tuck it into the quarters that way, there is a slight one-tenth of 1 percent per quarter.

Mr. MOORE. Right.

Chairman PROXMIRE. A snail's pace progress which, as I said, won't give us our goal until 4 long years.

Mr. MOORE. But if you look at it, there has been some decline in the risk of unemployment.

There is another way of looking at these numbers that has, I think, some bearing on the risks attached to the employment situation and that is to compare the number of people who are employed with the

population. One of the things that characterizes the employment situation in October is that in that month 56.3 percent of the population 16 years of age and older were employed.

How does that compare with what it has been in the past? Well, I looked at the figures the other day and it turns out there was only 1 month in the entire 25-year period, since 1948, when more than 56.3 percent of the entire population was employed—with the exception of some months in 1969 and 1970.

So with a large percentage employed, and I think 56.3 in terms of the historical record is a large percentage of the population employed, one can think of the chances of finding a job as being relatively good.

CHAIRMAN PROXMIRE. Let me ask you, just to shift gears for a moment: Yesterday, General Motors asked the Price Commission to approve a \$54 a car increase and Ford says it has plans to request a \$92 increase soon. If these are granted, then Chrysler and American can up their prices. Increases have already been granted, incidentally, by the Price Commission to American Motors and Chrysler but they are not increasing prices because they say competitively they can't until Ford and General Motors do.

Since the quality changes that presumably are the cause of these price increases have already been entered into the Wholesale Price Index, wouldn't these increases, if granted, cause the index to look unusually low now and then take an unusual jump later when the price increases are entered?

Mr. MOORE. Well, I wouldn't want to predict what the companies are going to do and I certainly wouldn't want to predict what the Price Commission is going to do.

Chairman PROXMIRE. I am not asking you to do that. I say if the price increase is granted.

Mr. MOORE. If the price increase is granted, it still is up to the company to decide whether the prices are going to be increased.

Chairman PROXMIRE. Of course, if they didn't take advantage of it—Chrysler and American Motors for obvious reasons, they are smaller units competitively with Ford and General Motors—one would think Ford and General Motors are not going through this for an exercise but because they want to increase the prices; maybe that conclusion is not logical but it seems to me that it is.

If it is, I am asking you whether or not the wholesale price index wouldn't reflect a big jump as a result of this increase in view of the fact that quality changes have already been taken into account?

Mr. MOORE. Well, I will make one more comment and then ask Mr. Popkin to comment. One other factor you have to take into account is the discounts that are allowed normally on sales of new cars. If they should increase, that is, if the trade-in allowances should rise, for example, that might counteract this possible increase in the list prices.

Chairman PROXMIRE. That is always true and I know. Mr. Moore, you wouldn't want to predict anything as difficult to estimate as that.

Mr. MOORE. I certainly don't want to predict anything but I am saying that is one of the factors that we will take into account in measuring the wholesale and retail prices of cars because we ordinarily do that.

Mr. Popkin, do you have anything to add?

Chairman PROXMIRE. Mr. Popkin.

Mr. POPKIN. I was just going to add there was about \$95 worth of quality change at wholesale included in the WPI this month.

Chairman PROXMIRE. What is that?

Mr. POPKIN. \$95 worth—our evaluation of quality change was \$95 and I thought that might be helpful in the context of the figures that you cited as company requests. In other words, one was about half of that amount, I believe, and one was close to \$95, if I correctly recollect the figure you mentioned.

Chairman PROXMIRE. Let me follow that up.

According to the wholesale price press release, the price of new automobiles declined in October, not because actual auto prices fell—they didn't fall—but because after quality changes were taken into account, BLS decided that the WPI should reflect a decline in the wholesale price of autos. I am curious as to how these quality change judgments are made in the Bureau of Labor Statics.

First, how many professional staff in BLS evaluate whether or not a new car is priced higher because of quality changes or simply because of higher prices? Does your staff examine the new model cars and make its own evaluation?

Mr. MOORE. I will ask Mr. Popkin who has charge of that activity to answer.

Mr. POPKIN. We have several commodity analysts, two senior people in particular who keep abreast of developments in this field.

The adjustment, the rules, what we call quality and what we don't call quality—

Chairman PROXMIRE. You say you have two senior people in that field, the automobile field?

Mr. POPKIN. Yes; that is right, and as the basis for the adjustment, first of all, we establish guidelines for what is and is not quality change in the context of our index. For example, we do not count style changes as quality changes. We count something like safety features, improved performance, or things of that nature. We set down guidelines. Companies then respond by giving us cost data that fit those guidelines. They know the different things that we want an evaluation on.

We take those cost data, evaluate them not only based on the knowledge within our own staff but also based on the knowledge of other experts in government. For example, from time to time we have taken safety engineers with us when we have made these evaluations. We set the guidelines; we get company data and we seek to get the best possible independent judgments in evaluating those data.

Chairman PROXMIRE. How many technicians does the auto industry send each year to meet with your agency for the purpose of discussing quality changes?

Mr. POPKIN. It is the other way around; we go there.

Chairman PROXMIRE. How many people do you meet with out there?

Mr. POPKIN. I have never gone, Mr. Chairman. My impression is that there are several people in each company representing different departments in the company from engineers to accountants.

Chairman PROXMIRE. They go out and meet with the four auto maker representatives?

Mr. POPKIN. Yes; usually.

Chairman PROXMIRE. How much did the drop in auto prices contribute to the drop in industrial prices? How big a factor was it?

Mr. POPKIN. Two-tenths of 1 percent.

Chairman PROXMIRE. How big was the drop?

Mr. POPKIN. 1.9 percent unadjusted, 5 percent seasonally adjusted; that is not all quality adjustment; there was an elimination of some rebates. Rebates had been offered on 1972 models as the model year progressed.

Chairman PROXMIRE. You say the overall seasonally adjusted rate was 5 percent—.5—five-tenth of 1 percent?

Mr. POPKIN. No, five full percentage points. There was a 5-percent decline seasonally adjusted in passenger car prices between September and October.

Chairman PROXMIRE. That was not my question.

Mr. POPKIN. I am sorry.

Chairman PROXMIRE. My question was, how much did industrial prices drop overall, wholesale industry prices?

Mr. POPKIN. The effect of the decline in passenger car prices was two-tenths of a percent, two-tenths percentage points on industrials. In other words, the industrials' unadjusted went up a tenth; seasonally adjusted they went down a tenth. If you take out the effect of passenger cars and trucks you get—you have to add two-tenths of 1 percent to both figures; therefore the industrial index would be three-tenths of 1 percent up unadjusted and one-tenth of 1 percent up seasonally adjusted.

Chairman PROXMIRE. I am not saying it is not a fair adjustment to make between having a drop in wholesale prices which you could report and having an increase in your quality changes; is that right? In other words, if you had not made this adjustment for quality changes you have just told me there would have been an increase in the wholesale price index at this time?

Mr. POPKIN. Just considering that one component.

Chairman PROXMIRE. I am not saying it is not a fair adjustment to make but that would have had that effect?

Mr. POPKIN. That's right.

Mr. MOORE. The increase would have been one-tenth seasonally adjusted.

Chairman PROXMIRE. Very small and it was a very small decline; nevertheless, it would have been a difference in direction?

Mr. MOORE. That is correct.

Chairman PROXMIRE. I am sure and I want to emphasize I have complete faith that these data are accurate and that you have complete professional integrity; nevertheless, it does have an impact which I will simply comment on.

The headline in the papers 3 days before the election: The wholesale price index declined—the headline could have been the other way except for the judgmental factor you had a quality change in automobiles that gives you a different result.

Mr. MOORE. Well, Mr. Chairman, we published a press release explaining what that quality change was some weeks ago; I don't have the dates. Do you, Mr. Popkin?

Mr. POPKIN. Yes; I do. August 18.

Mr. MOORE. On August 18 we published a press release showing what the quality change evaluation amounted to, both at retail and at wholesale. We indicated that the effect of this calculation would be taken into account when the 1973 models are introduced into the index, which is usually in October, and it was in October in this case.

Chairman PROXMIRE. I just have one other question I would like to ask. It refers to something we discussed a little earlier with respect to how this information is released to the press. That is a problem we have had right along.

Your letters to the editor in the last few weeks indicate you feel the elimination of the BLS press conference was of net benefit to the public. They also cite with approval that the press can now get a story written more quickly because of the elimination of the press conference.

Do you really believe that? When our staff read that statement to several important reporters, they—the staff told me—the reporters were first dumbfounded and then there was general boisterous laughter. They felt they certainly did not have that kind of an environment for rapid-fire reporting that they couldn't use an opportunity to interrogate competent nonpartisan expert career people in your department who could explain the full implications of the reports.

Mr. MOORE. Well, I was not responsible either for questioning the reporters or listening to their answers. I had nothing whatever to do with it. I simply quoted what was in the report of the Census and Statistics Committee. So I really don't know how to comment on the statement, sir. The fact is, of course, that our press briefings, when they were held almost 2 years ago, took a certain amount of time of reporters to come; they did not have an opportunity in every case to ask all the technical questions that they had in mind. Now, any one of them can telephone us for technical information and get it virtually immediately whenever he wants it for his story. So I am not a reporter and, as I say, I didn't talk to any of them in connection with this inquiry but I simply recorded what the report said they said.

Chairman PROXMIRE. We have had this arrangement now for 20 months, as I indicated. The election is Tuesday, and I hope we have a different kind of a situation after this appearance today. You are a highly competent and able economist, Mr. Moore, and I think you have been most helpful to the committee and very cooperative, consistently cooperative, but I think there is a different kind of situation now. The election is going to be over, and I would hope that in spite of the feelings you have expressed you would give some time to reconsidering it and talking it over with your staff people and considering whether or not we might have a different kind of situation in the future—December, January, and February.

I know it is asking you a great deal to ask you to reconsider something which you have expressed very strong feelings consistently, but I do hope you will consider the possibility of resuming press conferences and recognizing they can serve a very, very useful purpose.

The great and literally uniform reaction that I have gotten from reporters is that they did serve a useful purpose for them, and a press conference is different from being able to call a technician on the phone and get an answer.

If reporters can meet together and get the benefit of the questions of their colleagues and get the cross-examination and try to pin down the experts in this area, the ones I have talked to, as many as I could, have felt it was very useful for them, far more useful than simply being able to make a phone call.

Mr. MOORE. Well, I certainly will be glad to consider your views on it as I have been doing. I still feel at the moment that the advantage to

having a written release, which we very carefully go over so that every word in it is accurate and means what we intend it to mean, is very important. It is just ordinarily not possible, no matter how expert the individual is, to do that well in an oral statement and to convey precisely the facts as we try to do. I have been paying very close attention personally to these written releases every month. We go over them with the entire staff that is involved so we are perfectly clear on what the facts are and what we are trying to say about them. An oral press conference just does not give you that way of checking what you say because it all happens very quickly. So I feel there is a great advantage in concentrating our attention on the written releases as we have been doing.

Chairman PROXMIRE. You see, on the other hand, there is a press conference now; the press conference is held by the Chairman of the Council of Economic Advisors—as I say, a very able fellow; and because he is a fine professional economist as well as being very articulate and intelligent, that gives a slant to these things that it seems to me might be quite different if you had somebody who was acting without any feeling of political obligation whatsoever, just giving the objective facts as well as he could.

It is different if you didn't have a press conference now, if Herb Stein didn't release it, just had your release, period. But you don't have that. You used to have Secretary Hodgson; now you have Chairman Stein. I was a reporter for a while, and I think reporters feel that you don't have much news often, and they just get a cold figure, they have to do something with it, and what they do is they don't give their own interpretation; they are not supposed to; they are supposed to report what is said by the competent people who make the evaluation, and the only one they get is a person who, as I say, is able but has a real ax to grind, has a President to support directly, and I think you get an entirely different kind of flavor and different kind of understanding on the part of the American people than you would have if you had an opportunity for your release, which would be the fundamental expression but then backed up by interpretation by people who are neither Democrat nor Republican nor for nor against the election or reelection of a candidate.

Mr. MOORE. Well, maybe some mechanism can be found to accomplish that, but it would be difficult, I think, to say that no policymaking official should hold a press conference upon the release of important economic data.

Chairman PROXMIRE. Of course, what we have done——

Mr. MOORE. So you would have those press conferences anyway.

Chairman PROXMIRE. That may be, but the only show in town, the only press conference we have, is a press conference by the Chairman of the Council. You don't have a press conference by you or by your top experts.

Well, thank you very, very much. The committee will stand adjourned.

Mr. MOORE. Thank you.

(Whereupon, at 2:05 p.m., the committee was adjourned, to reconvene subject to the call of the Chair.)

CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, DECEMBER 8, 1972

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 11 a.m., in room 5302, Dirksen Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senator Proxmire and Representative Reuss.

Also present: John R. Stark, executive director; Loughlin F. McHugh, senior economist; Courtenay M. Slater, economist; and Lucy A. Falcone and Jerry J. Jasinowski, research economists.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

Once more we welcome Geoffrey Moore, Commissioner of the Bureau of Labor Statistics, who will discuss with us the most recent data on employment, unemployment, and prices. This marks the 21st month since the discontinuance by the Department of Labor of the technicians' press briefings on these statistics. I should say this is the 21st consecutive month in which we have had hearings of this kind to discuss and explain and get a better understanding of the significance of the unemployment statistics.

This month also marks, Mr. Moore, one of the very few times in the past 21 months when you have been able to bring us some encouraging good news on the employment front. I was heartened, as I am sure you were, at the drop in the overall unemployment rate to 5.2 percent. I only hope that the rate will not remain on a plateau of 5.2 percent for 5 or 6 months as it did after it dropped from 5.9 percent to 5.5 percent last June.

I might point out that as I look at your employment situation press release I notice that the entire change is in the drop in the labor force. The civilian labor force dropped between October and November from 87.3 million to 87 million, a drop of 300,000; 300,000 fewer people working. Total employment remained exactly the same at 82.5 million in both months, and adult men 47.3 in both months. Unemployment went down entirely because, as I say, there was a diminution in the work force. So people might argue it was simply a matter of 300,000 people just dropping out of the labor force because they were discouraged workers. But we will come to that.

The Wholesale Price Index released yesterday, however, was one of the worst pieces of economic news we have had in a long time. I notice Press Secretary Ziegler said he was told to say that the control pro-

gram is still working, but with a price increase of 7.2 percent at an annual rate in November, I cannot see any evidence to support Mr. Ziegler's rather sheepish statement.

I was glad to see that the Wall Street Journal just a month ago carried a lead editorial calling for the resumption of the press briefings.

Mr. Moore, you have always insisted in your appearance before this committee that the press actually welcomed the cancellation of the briefings because they are now able to write their stories much more quickly. However, the Wall Street Journal maintains, and I could not agree with them more, that the best way to put to rest speculation about possible politicization of BLS statistics is to resume the conference.

I will place in the record at this point both the editorial in the wall Street Journal of November 6, 1972, and my letter to the Wall Street Journal of November 27, 1972.

(The documents follow :)

[From the Wall Street Journal, Nov. 6, 1972]

REVIEW AND OUTLOOK: THE BLS FUSS

Economic statistics, gathered by whatever means, have never been the precise measurements that their decimal-pointed finitude would suggest, partly because the economic activity of millions of humans is not easily measurable, or even definable.

But whatever the natural obstacles, it can be generally agreed that such data should be compiled and interpreted objectively. Thus there is some importance to an argument that has been sputtering for two years over whether the present federal administration is, or is not, an honest broker of economic data. Although the argument is by no means concluded, it has gone far enough to suggest that while the administration probably is not guilty of some of the things its press critics have suggested, it could do more to relieve some of the doubts.

Specifically, some reporters have been charging that the Bureau of Labor Statistics has been politicized, particularly since a 1971 decision to discontinue the press briefings that had formerly accompanied the release of new unemployment and cost-of-living data each month. The discontinuance followed close on the heels of a briefing in which the TOP BLS statistical expert at the time, Harold Goldstein, apparently in all innocence, had termed an unemployment decline only marginally significant. Secretary of Labor Hodgson, the same day, had preferred to call it a significant sign of economic improvement. Mr. Goldstein later left his post as an assistant BLS commissioner.

Geoffrey H. Moore, who took over as BLS Commission in 1969, defends the discontinuance of the briefings as an effort to protect BLS statisticians from becoming politically embroiled. But some reporters argued that the administration was trying to muzzle the BLS professionals so that policy-makers could put their own interpretation on the statistics in BLS press releases.

The whole thing caused such a stir that the Subcommittee on Census and Statistics of the House Committee on Post Office and Civil Service undertook an investigation. And even though the committee is dominated by Democrats, its report, released last month, gave the BLS and the administration largely a clean bill of health. It could find no evidence to support any suspicions that administration pressure had been brought to bear on professionals who prepare or disseminate federal statistics.

Further, it didn't feel the discontinuance of the press briefings had caused any loss of information to the public. And it didn't find any political overtones in the "personnel changes" that had occurred at the BLS.

Mr. Moore felt that the subcommittee's findings were considerably more noteworthy than the press coverage they were given would indicate. So he wrote a letter to The New York Times complaining that "many news stories were written about the allegations, but little or nothing on the committee's findings." He had a point. It would seem only fair for newspapers to give space to such findings at least partly commensurate to the space given the original charges.

But as we say, the argument isn't over, and it probably should not be over. Washington reporters still complain privately, and occasionally, in public, that BLS press releases on the two key statistics sometimes have a "PR" flavor, involving such questions as whether certain comparisons or interpretations are omitted or included. Eileen Shanahan of the Times goes so far as to suggest that the committee report was a whitewash prompted by some skeletons in the Democratic closet having to do with the handling by Democratic administrations of census data that affected congressional reapportionment struggles.

Thus, the complaints die hard. But if the administration really wants to lay them to rest we can offer a simple suggestion. What would be the harm if it resumed the briefings so that reporters could ask their own questions about the statistics?

[From the Wall Street Journal, Nov. 27, 1972]

LETTERS TO THE EDITOR: BLS STATISTICS

EDITOR, The Wall Street Journal:

Your editorial "The BLS Fuss" (Nov. 6) commented on charges in the press that the present administration has moved to politicize major parts of the Federal Statistical Program. You take as your point of departure a letter by Geoffrey Moore, Commissioner of the Bureau of Labor Statistics (BLS) chiding the press for making such a charge, particularly in connection with the discontinuance of the press briefings on employment, unemployment and prices, while the press failed to give equal coverage to a report which purportedly exonerated the administration.

Your editorial conclusion is that the press complaints "die hard," and you offer a simple suggestion to lay the complaints to rest: Resume the press briefings "so that reporters could ask their own questions about the statistics."

I could not agree more with your conclusion. As you know, the Congressional Joint Economic Committee, of which I am chairman, has been holding regular monthly hearings on the BLS statistics ever since the press briefings were discontinued over 20 months ago. We recognized from the start that our hearings, while helpful to the press, were not a satisfactory substitute for the regular meetings between the BLS technicians and the press. What was missing was opportunity for the press to freely participate in a "give and take" with the technicians.

Our committee has for 20 months asked the administration, through Commissioner Moore and others in the Executive Branch, to resume the press briefings, but with no success.

You say in outlining why reporters suspected politicization: "The discontinuance followed close on the heels of a briefing in which the top BLS statistical expert at the time, Harold Goldstein, apparently in all innocence, had termed an unemployment decline only marginally significant. Secretary of Labor Hodgson, the same day, had preferred to call it a significant sign of economic improvement. Mr. Goldstein later left his post as an assistant BLS commissioner."

This statement does not do justice to the reporters' case. Harold Goldstein was not an "innocent"; he was speaking as a technician and he was completely correct, as a matter of fact, that the decline in unemployment was "only marginally significant." There has been no contradiction of this fact by any technician, including Dr. Moore. It was Secretary of Labor Hodgson who was playing fast and loose with the statistics.

If Harold Goldstein had waffled on this point, he should have been punished. Instead, he was punished because he did not waffle: He was demoted without advance notice and in effect forced into retirement before his desire. And Secretary Hodgson, who misinterpreted the data, was allowed to go scot-free.

The discontinued press conference between technicians and the press has in effect been replaced by the White House conference. Witness the experience just this past month. The press was informed that Chairman Herbert Stein of the Council of Economic Advisers would discuss the employment numbers. The BLS news release was made available to the press with a political statement by Mr. Stein superimposed on it. Politicization?

I hope reporters will continue to "police" the reporting and interpretation of economic news. The integrity of economic policy is at stake.

WILLIAM PROXMIRE,
*Chairman, Joint Economic Committee,
 U.S. Senate, Washington, D.C.*

Chairman PROXMIRE. With such support from a prestigious newspaper and with a new team taking over in the Labor Secretary's office, perhaps the day will dawn soon again when the press will be provided the benefit of renewed briefings.

Mr. Moore, before you proceed, I would like to say that getting unemployment down in the 5.2-percent area, combined with the recent actions of the administration, and the appointments they have made to the Cabinet, and the repeated statements attributed to Mr. Nixon and made by Mr. Nixon on fiscal policy, and the appearance yesterday of Mr. Arthur Burns before our committee, persuade me that it may well be the administration is beginning to put on the fiscal brakes, and maybe putting on the monetary brakes, too.

There are some indications that 5 percent may well be the real goal of the administration on unemployment, they would like to see it lower but, realistically, they think if this gets lower the inflation problem becomes so serious they have to put on the brakes a little. And this concerns this Senator, and I am sure other members of this committee.

Mr. Moore, please proceed with your testimony. I hope you will discuss in your statement how the recent drop in the over-all unemployment rate has affected different labor market groups, and also the prospects for labor force growth over the next several months.

Before beginning your statement, please introduce the members of your staff who accompany you this morning.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; JOEL POPKIN, ASSISTANT COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND NORMAN SAMUELS, ASSISTANT COMMISSIONER FOR WAGES AND INDUSTRIAL RELATIONS

Mr. MOORE. Thank you, Mr. Chairman.

I have with me Mr. Kaitz, who is Assistant Commissioner for Current Employment Analysis; Mr. Joel Popkin, Assistant Commissioner for Prices and Living Conditions; and Mr. Norman Samuels, who is Assistant Commissioner for Wages and Industrial Relations.

I should like to put in the record, Mr. Chairman, the employment situation press release, the Wholesale Price Index press release that we issued yesterday, and the two tables that I have used here on past occasions, one showing the measures of price, wage and productivity change before and during the economic stabilization program, and

another table which shows the pace of the current economic expansion.

Chairman PROXMIRE. Without objection, those documents will be printed in full in the record.

(The documents follow:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-833, Dec. 8, 1972]

THE EMPLOYMENT SITUATION : NOVEMBER 1972

Unemployment dropped in November, while total employment remained unchanged, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The unemployment rate was 5.2 percent, down from 5.5 percent in both October and September and 6.0 percent a year ago. The rate in November was the lowest since August 1970.

Total employment was unchanged in November at 82.5 million but has increased by 2.2 million since November a year ago.

Nonagricultural payroll jobs continued to expand in November, posting a gain of 200,000 from October. Most of this advance took place in manufacturing and trade.

UNEMPLOYMENT

The number of persons unemployed declined in November, a month when total joblessness usually shows little change. After seasonal adjustment, unemployment was down 300,000 from October and 600,000 from a year ago and, at 4.5 million, reached its lowest level since September 1970. The reduction occurred wholly among adult workers, divided about equally among men and women.

In line with this reduction in the overall unemployment rate, rates for most of the major demographic groups also declined substantially over the month. Jobless rates decreased from 3.9 to 3.6 percent for adult men and from 5.5 to 5.0 percent for adult women. For married men, the rate fell from 2.8 to 2.4 percent, and, for household heads, it dropped from 3.4 to 2.9 percent. These rates were all well below those of November a year ago and the lowest since mid-1970. The unemployment rate for teenagers, at 15.4 percent, did not change over the month but was below its levels of late 1971 and early 1972.

The unemployment rate for white workers was 4.6 percent, down sharply from 5.0 percent in October and 5.6 percent in November a year ago. In contrast, the unemployment rate for Negroes, at 9.8 percent, was not materially changed both over the month and from a year ago.

The unemployment rate for full-time workers declined from 5.0 to 4.6 percent in November. After peaking at 5.7 percent in late 1971, this rate has now declined to its lowest level since mid-1970. The rate for part-time workers, on the other hand, at 8.4 percent in November, was about the same as in the previous month and November a year ago.

The unemployment rate for full-time workers declined from 5.0 to 4.6 percent in November. After peaking at 5.7 percent in late 1971, this rate has now declined to its lowest level since mid-1970. The rate for part-time workers, on the other hand, at 8.4 percent in November, was about the same as in the previous month and November a year ago.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | November 1972 | October 1972 | September 1972 | 3d quarter, 1972 | 2d quarter, 1972 | 1st quarter, 1972 | 4th quarter, 1971 | 3d quarter, 1971 |
|---|------------------|-----------------|-------------------|------------------------|------------------------|-------------------------|-------------------------|------------------------|
| Civilian labor force ¹ | | | | | | | | |
| (millions of persons)..... | 87.0 | 87.3 | 87.0 | 86.8 | 85.4 | 85.9 | 85.0 | 84.2 |
| Total employment ¹ | 82.5 | 82.5 | 82.2 | 82.0 | 81.4 | 80.8 | 80.0 | 79.2 |
| Adult men..... | 47.3 | 47.3 | 47.2 | 47.1 | 46.7 | 46.4 | 46.1 | 45.9 |
| Adult women..... | 28.3 | 28.3 | 28.3 | 28.2 | 27.9 | 27.9 | 27.5 | 27.1 |
| Teenagers..... | 6.9 | 6.9 | 6.7 | 6.6 | 6.8 | 6.6 | 6.3 | 6.2 |
| Unemployment..... | 4.5 | 4.8 | 4.8 | 4.8 | 5.0 | 5.0 | 5.0 | 5.0 |
| Unemployment rates (percent of labor force): | | | | | | | | |
| All workers..... | 5.2 | 5.5 | 5.5 | 5.6 | 5.7 | 5.8 | 5.9 | 6.0 |
| Adult men..... | 3.6 | 3.9 | 3.8 | 3.9 | 4.2 | 4.1 | 4.3 | 4.4 |
| Adult women..... | 5.0 | 5.5 | 5.4 | 5.6 | 5.6 | 5.3 | 5.7 | 5.7 |
| Teenagers..... | 15.4 | 15.3 | 16.5 | 16.1 | 15.8 | 18.2 | 16.9 | 16.8 |
| White..... | 4.6 | 5.0 | 5.0 | 5.0 | 5.3 | 5.3 | 5.4 | 5.5 |
| Negro and other races..... | 9.8 | 10.1 | 10.2 | 9.9 | 9.9 | 10.6 | 10.1 | 10.1 |
| Household heads..... | 2.9 | 3.4 | 3.3 | 3.3 | 3.5 | 3.4 | 3.6 | 3.7 |
| Married men..... | 2.4 | 2.8 | 2.8 | 2.7 | 2.9 | 2.9 | 3.2 | 3.2 |
| Full-time workers..... | 4.6 | 5.0 | 5.0 | 5.1 | 5.3 | 5.4 | 5.6 | 5.5 |
| State insured ² | 3.1 | 3.3 | 3.4 | 3.5 | 3.6 | 3.5 | 4.2 | 4.2 |
| Average duration of un- employment (weeks)..... | 11.3 | 11.6 | 12.2 | 12.0 | 12.8 | 12.2 | 11.9 | 11.7 |
| Nonfarm payroll employment (millions of persons)..... | ³ 73.8 | ³ 73.6 | 73.2 | 72.9 | 72.5 | 71.8 | 71.1 | 70.6 |
| Goods-producing industries..... | ³ 23.4 | ³ 23.4 | 23.2 | 23.1 | 23.0 | 22.7 | 22.6 | 22.5 |
| Service-producing industries..... | ³ 50.3 | ³ 50.2 | 50.0 | 49.9 | 49.5 | 49.0 | 48.5 | 48.2 |
| Average weekly hours (hours of work): | | | | | | | | |
| Total private nonfarm..... | ³ 37.1 | ³ 37.3 | 37.3 | 37.2 | 37.1 | 37.1 | 37.1 | 36.9 |
| Manufacturing..... | ³ 40.9 | ³ 40.7 | 40.8 | 40.7 | 40.7 | 40.3 | 40.1 | 39.8 |
| Manufacturing overtime..... | ³ 3.7 | ³ 3.6 | 3.6 | 3.5 | 3.4 | 3.1 | 3.0 | 2.9 |
| Hourly earnings index, private nonfarm (1967= 100): | | | | | | | | |
| In current dollars..... | ³ 140.5 | ³ 140.3 | 139.3 | 138.5 | 136.8 | 135.0 | 132.4 | 130.8 |
| In constant dollars..... | (*) | ³ 110.8 | 110.4 | 110.2 | 109.8 | 109.0 | 107.9 | 107.2 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

² For calculation of this rate, see table A-3, footnote 2.

³ Preliminary.

⁴ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

Among the major occupational groups, a marked decline in unemployment was registered by white-collar workers, whose rate dropped from 3.6 to 3.1 percent. Within the white-collar group, the rate for professional and technical workers dropped from 2.8 to 2.1 percent after rising sharply in October, and that for clerical workers decreased from 4.8 to 3.9 percent. The rates for blue-collar workers (5.8 percent) and service workers (6.4 percent) showed little over-the-month change, but the blue-collar rate was substantially below its year-ago level (7.5 percent).

Unemployment changes among the major industry groups were small but generally consistent with the overall trend. In manufacturing, the jobless rate continued its downward movement in November. At 4.7 percent, this rate has receded substantially from its 7-percent level of early 1971. The November decline was accounted for by workers in the nondurable goods sector.

The unemployment rate for workers covered by State unemployment insurance programs also declined in November, from 3.3 to 3.1 percent, and reached its lowest level since the spring of 1970.

The average (mean) duration of unemployment continued its decline in November, to 11.3 weeks (seasonally adjusted), down from 11.6 weeks in October. Average duration was at its lowest level in nearly a year, another indication of the recovery in the overall employment situation.

There were only small changes in the distribution of unemployment by reason in November. Since November 1971, however, the percent of total unemployment due to job loss decreased from 46 to 42 percent (seasonally adjusted), while the proportion who voluntarily left their jobs to seek other jobs rose from 12 to 14 percent.

LABOR FORCE AND TOTAL EMPLOYMENT

Given the stability in the level of employment and the drop in unemployment, the labor force declined over the month by 240,000 (seasonally adjusted) to a level of 87.0 million. Over the past year, the labor force has risen by 1.6 million workers (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972). Total employment, by contrast, has advanced by 2.2 million over the period. Adult men accounted for half of the year-to-year increase in employment, and adult women and teenagers combined about equally for the other half.

VIETNAM ERA VETERANS

For the third straight month, there was essentially no difference between the unemployment rates of veterans and nonveterans 20-29 years old. The seasonally adjusted unemployment rates in November were 6.2 percent for veterans and 6.4 percent for nonveterans. (See table A-7.) Both rates were about unchanged over the month. Since early 1972, however, jobless rates have declined for both veterans and nonveterans, with veterans registering the sharper drop—over 2 percentage points versus about 1 percentage point for nonveterans.

Compared with November 1971, there was a gain of 430,000 in veterans' employment. This not only absorbed all of the increase in their labor force but also reduced the number unemployed—by over 60,000.

The number of Vietnam Era veterans in ages 30-34 has been increasing steadily, as men discharged in earlier years move into the older age groups. In November, 800,000, or 13½ percent, of the total Vietnam Era veteran population were 30-34 years old; nearly all of them were in the labor force, and their unemployment rate was 3.8 percent (not seasonally adjusted).

INDUSTRY PAYROLL EMPLOYMENT

Nonagricultural payroll employment continued its strong advance in November, posting a gain of 200,000 (seasonally adjusted). This brought the number of payroll jobs to 73.8 million. Since November 1971, payroll employment has risen at a sharp pace—by 2.7 million.

The October-to-November employment gain was fairly widespread, occurring in most of the service-producing industries and in manufacturing. Among the service-producing industries, the largest advance occurred in trade (\$5,000). Employment in the services sector has shown especially rapid growth over the past year.

An over-the-month rise of 80,000 in manufacturing employment was concentrated in the durable goods industries. Factory jobs have grown steadily over the past year following 2 years of employment declines.

The number of workers on contract construction payrolls dropped by 25,000 in November. The decline was probably related to the rainy weather which prevailed in many sections of the country during the survey week.

HOURS OF WORK

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls declined more than seasonally expected in November and, after seasonal adjustment, was down 0.2 hour to 37.1 hours. Sharp workweek drops in mining and contract construction (also probably related to bad weather) and marginal declines among the service-producing industries accounted for the October-to-November dip. Average weekly hours were at the same level in November as a year ago and have shown no clear trend over the entire period.

In contrast, the average workweek in manufacturing rose 0.2 hour over the month to 40.9 hours, seasonally adjusted, its highest level since October 1968. Factory hours also were up substantially over the year—by 0.8 hour. Average overtime in manufacturing increased by 0.1 hour over the month and 0.7 hour from November 1971.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls were \$3.73 in November, unchanged from the October level. Compared with a year ago, hourly earnings have risen 24 cents, or 6.9 percent.

Because of the decline in hours, average weekly earnings of rank-and-file workers were down \$1.12 over the month to \$138.01. Compared with November a year ago, average weekly earnings have risen \$8.88, or 6.9 percent. During the latest 12-month period for which the Consumer Price Index is available—October 1971 to October 1972—consumer prices rose 3.4 percent.

HOURLY EARNINGS INDEX

The Bureau's Hourly Earnings Index, seasonally adjusted, was 140.5 (1967=100) in November, about unchanged from October according to preliminary figures. The index was 6.6 percent above November a year ago. (See table B-4.) All industries posted over-the-year increases, ranging from 5.3 percent in finance, insurance, and real estate to 10.5 percent in transportation and public utilities. During the 12-month period ending in October, the Hourly Earnings Index in dollars of constant purchasing power rose 2.9 percent.

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

| Employment status, age, and sex | November 1972 | October 1972 | November 1971 | Seasonally adjusted | | | | |
|--|------------------|-----------------|------------------|---------------------|-----------------|---------------------|----------------|--------------|
| | | | | November 1972 | October 1972 | Septem- ber 1972 | August 1972 | July 1972 |
| TOTAL | | | | | | | | |
| Total labor force..... | 89,400 | 89,591 | 87,715 | 89,468 | 89,691 | 89,454 | 89,256 | 88,855 |
| Civilian labor force..... | 86,969 | 87,176 | 85,019 | 87,037 | 87,276 | 87,049 | 86,860 | 86,467 |
| Employed..... | 82,703 | 82,707 | 80,204 | 82,531 | 82,482 | 82,222 | 81,973 | 81,682 |
| Agriculture..... | 3,363 | 3,721 | 3,262 | 3,524 | 3,660 | 3,575 | 3,625 | 3,445 |
| Nonagricultural industries..... | 79,340 | 78,986 | 76,942 | 79,007 | 78,822 | 78,647 | 78,348 | 78,237 |
| On part time for economic reasons.. | 2,011 | 2,066 | 2,311 | 2,266 | 2,302 | 2,340 | 2,488 | 2,509 |
| Usually work full time..... | 946 | 890 | 1,120 | 1,067 | 1,041 | 1,058 | 1,082 | 1,085 |
| Usually work part time..... | 1,065 | 1,086 | 1,191 | 1,199 | 1,261 | 1,282 | 1,406 | 1,424 |
| Unemployed..... | 4,266 | 4,470 | 4,815 | 4,506 | 4,794 | 4,827 | 4,887 | 4,785 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 48,882 | 49,075 | 48,013 | 49,031 | 49,227 | 49,083 | 48,954 | 48,961 |
| Employed..... | 47,309 | 47,431 | 46,090 | 47,285 | 47,303 | 47,204 | 47,063 | 47,032 |
| Agriculture..... | 2,532 | 2,703 | 2,440 | 2,597 | 2,663 | 2,629 | 2,550 | 2,474 |
| Nonagricultural industries..... | 44,777 | 44,729 | 43,650 | 44,688 | 44,640 | 44,575 | 44,513 | 44,558 |
| Unemployed..... | 1,753 | 1,643 | 1,923 | 1,746 | 1,924 | 1,879 | 1,891 | 1,929 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 30,328 | 30,433 | 29,762 | 29,802 | 29,958 | 29,915 | 29,990 | 29,789 |
| Employed..... | 28,864 | 28,752 | 28,114 | 28,308 | 28,322 | 28,296 | 28,334 | 28,078 |
| Agriculture..... | 534 | 645 | 529 | 533 | 575 | 561 | 604 | 556 |
| Nonagricultural industries..... | 28,330 | 28,108 | 27,584 | 27,775 | 27,747 | 27,735 | 27,730 | 27,522 |
| Unemployed..... | 1,463 | 1,680 | 1,648 | 1,494 | 1,636 | 1,619 | 1,656 | 1,711 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 7,759 | 7,669 | 7,244 | 8,204 | 8,091 | 8,051 | 7,916 | 7,717 |
| Employed..... | 6,530 | 6,523 | 6,000 | 6,938 | 6,857 | 6,722 | 6,576 | 6,572 |
| Agriculture..... | 296 | 373 | 293 | 394 | 422 | 385 | 471 | 415 |
| Nonagricultural industries..... | 6,233 | 6,150 | 5,707 | 6,544 | 6,435 | 6,337 | 6,105 | 6,157 |
| Unemployed..... | 1,229 | 1,146 | 1,244 | 1,266 | 1,234 | 1,329 | 1,340 | 1,145 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE BY SEX AND AGE

[Numbers in thousands]

| Full- and part-time employment status, sex, and age | Novem- ber 1972 | Novem- ber 1971 | Seasonally adjusted | | | | | Novem- ber 1971 |
|---|-----------------------|-----------------------|-----------------------|-----------------|------------------------|----------------|--------------|-----------------------|
| | | | Novem- ber 1972 | October 1972 | Septem- ber 1972 | August 1972 | July 1972 | |
| FULL TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force | 73,400 | 71,969 | 74,470 | 74,805 | 74,195 | 74,201 | 74,218 | 73,020 |
| Employed | 70,409 | 68,395 | 71,010 | 71,085 | 70,482 | 70,423 | 70,437 | 68,889 |
| Unemployed | 2,992 | 3,575 | 3,460 | 3,720 | 3,713 | 3,778 | 3,781 | 4,131 |
| Unemployment rate | 4.1 | 5.0 | 4.6 | 5.0 | 5.0 | 5.1 | 5.1 | 5.7 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force | 46,296 | 45,606 | 46,539 | 46,788 | 46,573 | 46,539 | 46,588 | 45,898 |
| Employed | 44,907 | 43,865 | 44,952 | 45,015 | 44,859 | 44,801 | 44,821 | 43,909 |
| Unemployed | 1,389 | 1,740 | 1,587 | 1,773 | 1,714 | 1,738 | 1,767 | 1,989 |
| Unemployment rate | 3.0 | 3.8 | 3.4 | 3.8 | 3.7 | 3.7 | 3.8 | 4.3 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force | 23,473 | 23,106 | 23,335 | 23,475 | 23,322 | 23,433 | 23,477 | 22,985 |
| Employed | 22,391 | 21,859 | 22,169 | 22,208 | 20,067 | 22,119 | 22,093 | 21,643 |
| Unemployed | 1,083 | 1,247 | 1,166 | 1,267 | 1,255 | 1,314 | 1,384 | 1,342 |
| Unemployment rate | 4.6 | 5.4 | 5.0 | 5.4 | 5.4 | 5.6 | 5.9 | 5.8 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force | 13,569 | 13,049 | 12,612 | 12,506 | 12,983 | 12,759 | 12,208 | 12,125 |
| Employed | 12,295 | 11,810 | 11,555 | 11,427 | 11,866 | 11,630 | 11,211 | 11,094 |
| Unemployed | 1,274 | 1,240 | 1,057 | 1,079 | 1,117 | 1,129 | 977 | 1,031 |
| Unemployment rate | 9.4 | 9.5 | 8.4 | 8.6 | 8.6 | 8.8 | 8.2 | 8.5 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

[Persons 16 years and over]

| Selected categories | Thousands of persons unemployed | | | Seasonally adjusted rates of unemployment | | | | |
|--|---------------------------------|---------------|---------------|---|----------------|-------------|-----------|---------------|
| | November 1972 | November 1971 | November 1972 | October 1972 | September 1972 | August 1972 | July 1972 | November 1971 |
| | | | | | | | | |
| Total (all civilian workers)..... | 4,266 | 4,815 | 5.2 | 5.5 | 5.5 | 5.6 | 5.5 | 6.0 |
| Men, 20 years and over..... | 1,573 | 1,923 | 3.6 | 3.9 | 3.8 | 3.9 | 3.9 | 4.4 |
| Women, 20 years and over..... | 1,463 | 1,648 | 5.0 | 5.5 | 5.4 | 5.5 | 5.7 | 5.8 |
| Both sexes, 16-19 years..... | 1,229 | 1,244 | 15.4 | 15.3 | 16.5 | 16.9 | 14.8 | 16.7 |
| White..... | 3,368 | 3,982 | 4.6 | 5.0 | 5.0 | 5.1 | 5.0 | 5.6 |
| Negro and other races..... | 898 | 832 | 9.8 | 10.1 | 10.2 | 9.7 | 9.9 | 9.4 |
| Household heads..... | 1,377 | 1,700 | 2.9 | 3.4 | 3.3 | 3.3 | 3.3 | 3.6 |
| Married men..... | 894 | 1,189 | 2.4 | 2.8 | 2.8 | 2.6 | 2.7 | 3.3 |
| Full-time workers..... | 2,992 | 3,575 | 4.6 | 5.0 | 5.0 | 5.1 | 5.1 | 5.7 |
| Part-time workers..... | 1,274 | 1,240 | 8.4 | 8.6 | 8.6 | 8.8 | 8.2 | 8.5 |
| Unemployed 15 weeks and over ¹ | 862 | 1,058 | 1.2 | 1.3 | 1.3 | 1.4 | 1.3 | 1.5 |
| State insured ² | 1,434 | 1,828 | 3.1 | 3.3 | 3.4 | 3.4 | 3.8 | 4.1 |
| Labor force time lost ³ | | | 5.4 | 6.0 | 5.9 | 6.2 | 6.0 | 6.4 |
| OCCUPATION⁴ | | | | | | | | |
| White-collar workers..... | 1,258 | 1,378 | 3.1 | 3.6 | 3.3 | 3.5 | 3.4 | 3.4 |
| Professional and technical..... | 232 | 310 | 2.1 | 2.8 | 2.2 | 2.4 | 2.5 | 2.9 |
| Managers and administrators, except farm..... | 171 | 169 | 2.1 | 2.1 | 1.7 | 1.8 | 1.9 | 1.9 |
| Sales workers..... | 239 | 203 | 4.3 | 4.2 | 4.7 | 4.8 | 4.3 | 3.9 |
| Clerical workers..... | 616 | 696 | 3.9 | 4.8 | 4.7 | 4.9 | 4.6 | 4.6 |
| Blue-collar workers..... | 1,603 | 2,009 | 5.8 | 5.9 | 6.1 | 6.5 | 6.4 | 7.5 |
| Craftsmen and kindred workers..... | 406 | 434 | 4.2 | 4.0 | 4.2 | 4.4 | 4.3 | 4.6 |
| Operatives..... | 803 | 1,074 | 6.0 | 6.4 | 6.4 | 6.7 | 7.1 | 8.2 |
| Nonfarm laborers..... | 395 | 501 | 9.2 | 9.2 | 9.6 | 10.9 | 9.3 | 11.8 |
| Service workers..... | 722 | 733 | 6.4 | 6.2 | 7.3 | 6.3 | 6.6 | 6.6 |
| Farm workers..... | 109 | 99 | 3.9 | 3.1 | 2.9 | 2.7 | 2.2 | 3.7 |
| INDUSTRY⁴ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁵ | 3,113 | 3,620 | 5.2 | 5.6 | 5.6 | 5.8 | 5.8 | 6.2 |
| Construction..... | 371 | 352 | 9.7 | 10.6 | 9.2 | 11.6 | 10.9 | 9.7 |
| Manufacturing..... | 918 | 1,284 | 4.7 | 5.0 | 5.1 | 5.4 | 5.7 | 6.6 |
| Durable goods..... | 505 | 765 | 4.4 | 4.5 | 4.8 | 5.0 | 5.7 | 6.7 |
| Nondurable goods..... | 414 | 519 | 5.0 | 5.8 | 5.5 | 6.0 | 5.6 | 6.3 |
| Transportation and public utilities..... | 124 | 192 | 2.8 | 3.5 | 3.7 | 3.8 | 3.6 | 4.4 |
| Wholesale and retail trade..... | 926 | 950 | 6.2 | 6.4 | 6.7 | 6.6 | 6.5 | 6.6 |
| Finance and service industries..... | 753 | 829 | 4.5 | 4.9 | 4.7 | 4.7 | 4.6 | 5.1 |
| Government workers..... | 378 | 398 | 2.7 | 3.2 | 3.2 | 3.0 | 2.8 | 3.2 |
| Agricultural wage and salary workers..... | 122 | 111 | 9.8 | 9.6 | 8.9 | 6.5 | 6.0 | 9.6 |

¹ Unemployment rate calculated as a percent of civilian labor force.² Insured unemployment under State programs—unemployment rate as a percent of average covered calculated employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.³ Man-hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force man-hours.⁴ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.⁵ Includes mining, not shown separately.

TABLE A-6.—UNEMPLOYED PERSONS, BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work, November 1972 | Seasonally adjusted unemployment rates | | | | | |
|---------------------------------|----------------------|---------------|---|--|---------------|--------------|----------------|-------------|-----------|
| | November 1972 | November 1971 | | November 1972 | November 1972 | October 1972 | September 1972 | August 1972 | July 1972 | November 1971 |
| Total, 16 years and over..... | 4,266 | 4,815 | 70.1 | 5.2 | 5.5 | 5.5 | 5.6 | 5.5 | 6.0 |
| 16 to 19 years..... | 1,229 | 1,244 | 42.3 | 15.4 | 15.3 | 16.5 | 16.9 | 14.8 | 16.7 |
| 16 and 17 years..... | 613 | 590 | 19.1 | 18.2 | 18.3 | 19.9 | 20.5 | 16.5 | 18.3 |
| 18 and 19 years..... | 616 | 654 | 65.4 | 13.3 | 13.2 | 14.1 | 14.0 | 13.5 | 15.4 |
| 20 to 24 years..... | 954 | 1,083 | 80.4 | 8.6 | 9.1 | 9.1 | 9.0 | 9.8 | 10.4 |
| 25 years and over..... | 2,082 | 2,488 | 81.9 | 3.3 | 3.6 | 3.5 | 3.6 | 3.7 | 4.0 |
| 25 to 54 years..... | 1,694 | 2,012 | 84.5 | 3.5 | 3.7 | 3.7 | 3.7 | 3.8 | 4.2 |
| 55 years and over..... | 388 | 476 | 70.9 | 2.8 | 3.5 | 3.1 | 3.7 | 3.4 | 3.4 |
| Males, 16 years and over..... | 2,238 | 2,580 | 74.7 | 4.6 | 4.8 | 4.9 | 4.9 | 4.7 | 5.4 |
| 16 to 19 years..... | 665 | 657 | 42.6 | 15.5 | 14.1 | 15.9 | 16.5 | 13.6 | 16.2 |
| 16 and 17 years..... | 334 | 325 | 17.4 | 17.9 | 17.5 | 20.8 | 20.0 | 14.6 | 18.1 |
| 18 and 19 years..... | 331 | 332 | 68.0 | 13.5 | 11.7 | 12.3 | 13.2 | 12.8 | 14.7 |
| 20 to 24 years..... | 532 | 609 | 82.1 | 8.7 | 8.9 | 8.6 | 8.5 | 9.6 | 10.7 |
| 25 years and over..... | 1,041 | 1,314 | 91.5 | 2.7 | 3.1 | 3.0 | 3.1 | 3.0 | 3.5 |
| 25 to 54 years..... | 811 | 1,037 | 95.1 | 2.8 | 3.0 | 3.0 | 3.0 | 3.0 | 3.7 |
| 55 years and over..... | 230 | 276 | 78.7 | 2.7 | 3.6 | 3.3 | 3.4 | 3.1 | 3.2 |
| Females, 16 years and over..... | 2,028 | 2,235 | 65.1 | 6.1 | 6.6 | 6.7 | 6.8 | 6.9 | 6.9 |
| 16 to 19 years..... | 565 | 587 | 41.9 | 15.3 | 16.7 | 17.3 | 17.5 | 16.4 | 17.3 |
| 16 and 17 years..... | 279 | 265 | 21.1 | 18.5 | 19.3 | 18.6 | 21.3 | 18.9 | 18.7 |
| 18 and 19 years..... | 285 | 322 | 62.5 | 13.1 | 15.0 | 16.3 | 14.9 | 14.4 | 16.2 |
| 20 to 24 years..... | 422 | 474 | 78.2 | 8.5 | 9.5 | 9.6 | 9.5 | 10.1 | 10.0 |
| 25 years and over..... | 1,041 | 1,174 | 72.3 | 4.2 | 4.5 | 4.5 | 4.6 | 4.8 | 4.8 |
| 25 to 54 years..... | 884 | 975 | 74.5 | 4.6 | 4.8 | 4.9 | 4.8 | 5.1 | 5.2 |
| 55 years and over..... | 158 | 199 | 58.9 | 3.0 | 3.4 | 2.9 | 4.3 | 4.0 | 3.7 |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

[Numbers in thousands]

| Employment status | November 1972 | October 1972 | November 1971 | Seasonally adjusted | | | | | |
|---|---------------|--------------|---------------|---------------------|--------------|----------------|-------------|-----------|---------------|
| | | | | November 1972 | October 1972 | September 1972 | August 1972 | July 1972 | November 1971 |
| VETERANS ¹ | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² | 4,636 | 4,624 | 4,293 | 4,636 | 4,624 | 4,596 | 4,574 | 4,551 | 4,293 |
| Civilian labor force | 4,307 | 4,282 | 3,937 | 4,328 | 4,308 | 4,288 | 4,233 | 4,206 | 3,957 |
| Employed | 4,050 | 4,045 | 3,616 | 4,059 | 4,032 | 4,003 | 3,905 | 3,898 | 3,621 |
| Unemployed | 257 | 236 | 321 | 269 | 276 | 285 | 328 | 308 | 336 |
| Unemployment rate | 6.0 | 5.5 | 8.2 | 6.2 | 6.4 | 6.6 | 7.7 | 7.3 | 8.5 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 1,861 | 1,885 | 1,990 | 1,861 | 1,885 | 1,897 | 1,913 | 1,928 | 1,990 |
| Civilian labor force | 1,680 | 1,678 | 1,783 | 1,680 | 1,692 | 1,720 | 1,739 | 1,745 | 1,786 |
| Employed | 1,514 | 1,541 | 1,581 | 1,505 | 1,550 | 1,566 | 1,521 | 1,559 | 1,572 |
| Unemployed | 166 | 137 | 202 | 175 | 142 | 154 | 218 | 186 | 214 |
| Unemployment rate | 9.9 | 8.2 | 11.3 | 10.4 | 8.4 | 9.0 | 12.5 | 10.7 | 12.0 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 2,775 | 2,739 | 2,303 | 2,775 | 2,739 | 2,699 | 2,661 | 2,623 | 2,303 |
| Civilian labor force | 2,627 | 2,603 | 2,154 | 2,648 | 2,616 | 2,568 | 2,494 | 2,461 | 2,171 |
| Employed | 2,536 | 2,504 | 2,035 | 2,554 | 2,482 | 2,437 | 2,384 | 2,339 | 2,049 |
| Unemployed | 91 | 99 | 119 | 94 | 134 | 131 | 110 | 122 | 122 |
| Unemployment rate | 3.5 | 3.8 | 5.5 | 3.5 | 5.1 | 5.1 | 4.4 | 5.0 | 5.6 |
| NONVETERANS | | | | | | | | | |
| Total, 20 to 29 years old: | | | | | | | | | |
| Civilian noninstitutional population ² | 10,250 | 10,209 | 9,570 | 10,250 | 10,209 | 10,155 | 10,121 | 10,085 | 9,570 |
| Civilian labor force | 8,814 | 8,862 | 8,170 | 8,985 | 8,994 | 8,800 | 8,729 | 8,715 | 8,346 |
| Employed | 8,328 | 8,331 | 7,600 | 8,410 | 8,400 | 8,262 | 8,187 | 8,149 | 7,668 |
| Unemployed | 486 | 531 | 570 | 575 | 594 | 538 | 542 | 566 | 678 |
| Unemployment rate | 5.5 | 6.0 | 7.0 | 6.4 | 6.6 | 6.1 | 6.2 | 6.5 | 8.1 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 6,226 | 6,194 | 5,625 | 6,226 | 6,194 | 6,140 | 6,113 | 6,086 | 5,625 |
| Civilian labor force | 5,045 | 5,053 | 4,426 | 5,202 | 5,175 | 5,006 | 4,923 | 4,909 | 4,576 |
| Employed | 4,678 | 4,648 | 4,019 | 4,778 | 4,728 | 4,614 | 4,524 | 4,485 | 4,105 |
| Unemployed | 367 | 405 | 407 | 424 | 447 | 392 | 399 | 424 | 471 |
| Unemployment rate | 7.3 | 8.0 | 9.2 | 8.2 | 8.6 | 7.8 | 8.1 | 8.6 | 10.3 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 4,024 | 4,015 | 3,945 | 4,024 | 4,015 | 4,015 | 4,008 | 3,999 | 3,945 |
| Civilian labor force | 3,769 | 3,809 | 3,744 | 3,783 | 3,819 | 3,794 | 3,806 | 3,806 | 3,770 |
| Employed | 3,650 | 3,683 | 3,581 | 3,632 | 3,672 | 3,648 | 3,663 | 3,664 | 3,563 |
| Unemployed | 119 | 126 | 163 | 151 | 147 | 146 | 143 | 142 | 207 |
| Unemployment rate | 3.2 | 3.3 | 4.4 | 4.0 | 3.8 | 3.8 | 3.8 | 3.7 | 5.5 |

¹ Vietnam era veterans are those who served after Aug. 4, 1964; they are all classified as war veterans. 78 percent of the Vietnam era veterans of all ages are 20 to 29 years old. Post-Korean peacetime veterans 20 to 29 years old are not included in this table.

² Since seasonal variations are not present in the population figures, identical numbers appear in the unadjusted and seasonally adjusted columns.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

[In thousands]

| Industry | November 1972 1 | October 1972 1 | September 1972 | November 1971 | Change from— | | Seasonally adjusted | | | Change from October 1972 |
|---------------------------------------|--------------------|-------------------|-------------------|------------------|-----------------|------------------|---------------------|-------------------|-------------------|--------------------------------|
| | | | | | October 1972 | November 1971 | November 1972 1 | October 1972 1 | September 1972 | |
| Total..... | 74,309.0 | 74,088.0 | 73,519.0 | 71,643.0 | 221.0 | 2,666.0 | 73,765 | 73,559 | 73,176 | 206 |
| Goods-producing..... | 23,628.0 | 23,741.0 | 23,696.0 | 22,766.0 | -113.0 | 862.0 | 23,438 | 23,388 | 23,186 | 50 |
| Mining..... | 602.0 | 607.0 | 613.0 | 522.0 | -5.0 | 80.0 | 604 | 608 | 606 | -4 |
| Contract construction..... | 3,647.0 | 3,779.0 | 3,785.0 | 3,624.0 | -132.0 | 23.0 | 3,541 | 3,565 | 3,551 | -24 |
| Manufacturing..... | 19,379.0 | 19,355.0 | 19,298.0 | 18,620.0 | 24.0 | 759.0 | 19,293 | 19,215 | 19,029 | 78 |
| Production workers..... | 14,240.0 | 14,222.0 | 14,180.0 | 13,558.0 | 18.0 | 682.0 | 14,148 | 14,080 | 13,924 | 68 |
| Durable goods..... | 11,211.0 | 11,164.0 | 11,076.0 | 10,595.0 | 47.0 | 616.0 | 11,175 | 11,125 | 10,970 | 50 |
| Production workers..... | 8,217.0 | 8,171.0 | 8,099.0 | 7,653.0 | 46.0 | 564.0 | 8,177 | 8,128 | 7,999 | 49 |
| Ordnance and accessories..... | 193.9 | 190.9 | 189.0 | 186.2 | 3.0 | 7.7 | 193 | 191 | 188 | 2 |
| Lumber and wood products..... | 620.2 | 622.8 | 625.0 | 599.7 | -2.6 | 20.5 | 621 | 615 | 613 | 6 |
| Furniture and fixtures..... | 512.8 | 508.4 | 502.4 | 475.6 | 4.4 | 37.2 | 506 | 503 | 499 | 3 |
| Stone, clay, and glass products..... | 675.0 | 679.5 | 677.3 | 642.0 | -4.5 | 33.0 | 672 | 673 | 664 | -1 |
| Primary metal industries..... | 1,257.7 | 1,255.2 | 1,255.4 | 1,168.7 | 2.5 | 89.0 | 1,277 | 1,280 | 1,268 | -3 |
| Fabricated metal products..... | 1,411.1 | 1,400.7 | 1,391.5 | 1,345.7 | 10.4 | 65.4 | 1,399 | 1,390 | 1,380 | 9 |
| Machinery, except electrical..... | 1,922.4 | 1,900.3 | 1,879.3 | 1,794.9 | 22.1 | 127.5 | 1,936 | 1,916 | 1,881 | 20 |
| Electrical equipment..... | 1,895.8 | 1,887.0 | 1,865.1 | 1,787.6 | 8.8 | 108.2 | 1,881 | 1,879 | 1,847 | 2 |
| Transportation equipment..... | 1,805.7 | 1,803.0 | 1,785.6 | 1,728.0 | 2.7 | 77.7 | 1,790 | 1,783 | 1,743 | 7 |
| Instruments and related products..... | 472.6 | 467.1 | 463.0 | 441.8 | 5.5 | 30.8 | 472 | 467 | 462 | 5 |
| Miscellaneous manufacturing..... | 443.8 | 448.9 | 442.3 | 425.0 | -5.1 | 18.8 | 428 | 428 | 425 | 0 |

| | | | | | | | | | | |
|--|----------|----------|----------|----------|-------|---------|--------|--------|--------|-----|
| Nondurable goods..... | 8,168.0 | 8,191.0 | 8,222.0 | 8,025.0 | -23.0 | 143.0 | 8,118 | 8,090 | 8,059 | 28 |
| Production workers..... | 6,023.0 | 6,051.0 | 6,081.0 | 5,905.0 | -28.0 | 118.0 | 5,971 | 5,952 | 5,925 | 19 |
| Food and kindred products..... | 1,763.6 | 1,814.2 | 1,869.4 | 1,776.7 | -50.6 | -13.1 | 1,743 | 1,741 | 1,745 | 2 |
| Tobacco manufactures..... | 75.8 | 76.5 | 78.6 | 79.8 | -1.7 | -4.0 | 70 | 66 | 66 | 4 |
| Textile mill products..... | 1,012.9 | 1,003.6 | 996.4 | 969.0 | 9.3 | 43.9 | 1,009 | 1,003 | 993 | 6 |
| Apparel and other textile products..... | 1,361.4 | 1,357.4 | 1,350.8 | 1,352.0 | 4.0 | 9.4 | 1,351 | 1,343 | 1,337 | 8 |
| Paper and allied products..... | 709.4 | 704.8 | 703.5 | 689.6 | 4.6 | 19.8 | 706 | 706 | 701 | 0 |
| Printing and publishing..... | 1,092.0 | 1,088.7 | 1,080.8 | 1,071.3 | 3.3 | 20.7 | 1,088 | 1,087 | 1,083 | 1 |
| Chemicals and allied products..... | 1,010.6 | 1,007.1 | 1,007.8 | 997.8 | 3.5 | 12.8 | 1,014 | 1,010 | 1,007 | 4 |
| Petroleum and coal products..... | 189.4 | 189.7 | 190.5 | 189.8 | -3 | -4 | 190 | 189 | 188 | 1 |
| Rubber and plastics products, n.e.c..... | 652.4 | 647.3 | 639.4 | 596.0 | 5.1 | 56.4 | 649 | 643 | 633 | 6 |
| Leather and leather products..... | 300.0 | 301.4 | 304.9 | 302.9 | -1.4 | -2.9 | 298 | 302 | 306 | -4 |
| Service-producing..... | 50,681.0 | 50,347.0 | 49,823.0 | 48,877.0 | 334.0 | 1,804.0 | 50,327 | 50,171 | 49,990 | 156 |
| Transportation and public utilities..... | 4,542.0 | 4,548.0 | 4,548.0 | 4,407.0 | -6.0 | 135.0 | 4,537 | 4,539 | 4,499 | -2 |
| Wholesale and retail trade..... | 16,137.0 | 15,899.0 | 15,774.0 | 15,509.0 | 238.0 | 628.0 | 15,930 | 15,847 | 15,794 | 83 |
| Wholesale trade..... | 3,998.0 | 3,978.0 | 3,962.0 | 3,857.0 | 20.0 | 141.0 | 3,970 | 3,950 | 3,946 | 20 |
| Retail trade..... | 12,139.0 | 11,921.0 | 11,812.0 | 11,652.0 | 218.0 | 487.0 | 11,960 | 11,897 | 11,848 | 63 |
| Finance, insurance, and real estate..... | 3,967.0 | 3,956.0 | 3,957.0 | 3,832.0 | 11.0 | 135.0 | 3,983 | 3,968 | 3,953 | 15 |
| Services..... | 12,437.0 | 12,454.0 | 12,391.0 | 11,973.0 | -17.0 | 464.0 | 12,462 | 12,442 | 12,379 | 20 |
| Government..... | 13,598.0 | 13,490.0 | 13,153.0 | 13,156.0 | 108.0 | 442.0 | 13,415 | 13,375 | 13,365 | 40 |
| Federal..... | 2,627.0 | 2,627.0 | 2,627.0 | 2,655.0 | 0 | -28.0 | 2,638 | 2,630 | 2,624 | 8 |
| State and local..... | 10,971.0 | 10,863.0 | 10,526.0 | 10,501.0 | 108.0 | 470.0 | 10,777 | 10,745 | 10,741 | 32 |

¹ Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS,¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY
[In thousands]

| Industry | November 1972 ^a | October 1972 ^a | September 1972 | November 1971 | Change from— | | Seasonally adjusted | | | Change from October 1972 |
|--|----------------------------|---------------------------|----------------|---------------|--------------|---------------|----------------------------|---------------------------|----------------|--------------------------|
| | | | | | October 1972 | November 1971 | November 1972 ^a | October 1972 ^a | September 1972 | |
| Total private..... | 37.0 | 37.3 | 37.4 | 37.0 | -0.3 | 0.0 | 37.1 | 37.3 | 37.3 | -0.2 |
| Mining..... | 41.5 | 42.9 | 42.8 | 42.3 | -1.4 | - .8 | 41.5 | 42.6 | 42.8 | -1.1 |
| Contract construction..... | 35.9 | 38.2 | 38.2 | 37.9 | -2.3 | -2.0 | 36.9 | 37.6 | 37.1 | - .7 |
| Manufacturing..... | 41.0 | 40.8 | 41.0 | 40.2 | .2 | .8 | 40.9 | 40.7 | 40.8 | .2 |
| Overtime hours..... | 3.8 | 3.8 | 3.9 | 3.1 | 0 | .7 | 3.7 | 3.6 | 3.6 | .1 |
| Durable goods..... | 41.7 | 41.6 | 41.7 | 40.7 | 0 | 1.0 | 41.6 | 41.5 | 41.4 | .1 |
| Overtime hours..... | 4.0 | 4.0 | 4.1 | 3.0 | 0 | .5 | 3.9 | 3.8 | 3.8 | .1 |
| Ordnance and accessories..... | 42.5 | 42.4 | 42.3 | 42.0 | .1 | .3 | 42.4 | 42.4 | 42.2 | 0 |
| Lumber and wood products..... | 40.9 | 41.5 | 41.5 | 40.6 | -.6 | .4 | 41.0 | 41.2 | 41.3 | -.2 |
| Furniture and fixtures..... | 40.8 | 40.8 | 41.0 | 40.4 | 0 | .4 | 40.4 | 40.2 | 40.5 | .4 |
| Stone, clay, and glass products..... | 42.0 | 42.5 | 42.4 | 41.9 | -.5 | .1 | 41.9 | 42.2 | 41.9 | -.3 |
| Primary metal industries..... | 42.2 | 41.7 | 42.0 | 39.9 | .5 | 2.3 | 42.7 | 42.3 | 42.0 | .4 |
| Fabricated metal products..... | 41.6 | 41.5 | 41.6 | 40.6 | .1 | 1.0 | 41.5 | 41.3 | 41.1 | .2 |
| Machinery, except electrical..... | 42.6 | 42.2 | 42.4 | 41.1 | .4 | 1.5 | 42.6 | 42.2 | 42.4 | .4 |
| Electrical equipment..... | 40.8 | 40.8 | 40.8 | 40.4 | 0 | .4 | 40.5 | 40.6 | 40.6 | -.1 |
| Transportation equipment..... | 42.8 | 42.2 | 42.4 | 41.1 | .6 | 1.7 | 42.3 | 41.7 | 41.9 | .6 |
| Instruments and related products..... | 40.9 | 40.6 | 40.9 | 40.5 | .3 | .4 | 40.5 | 40.5 | 40.7 | 0 |
| Miscellaneous manufacturing..... | 39.5 | 39.5 | 39.5 | 39.5 | 0 | 0 | 39.1 | 39.2 | 39.5 | -.1 |
| Nondurable goods..... | 40.0 | 39.5 | 40.0 | 39.6 | .1 | .4 | 39.9 | 39.8 | 39.7 | .1 |
| Overtime hours..... | 3.5 | 3.5 | 3.7 | 3.1 | 0 | .4 | 3.4 | 3.3 | 3.3 | .1 |
| Food and kindred products..... | 40.5 | 40.3 | 41.0 | 40.1 | .2 | .4 | 40.4 | 40.3 | 40.2 | .1 |
| Tobacco manufactures..... | 38.6 | 37.7 | 35.4 | 35.6 | -1.1 | 1.0 | 36.6 | 36.7 | 34.1 | -.1 |
| Textile mill products..... | 41.7 | 41.4 | 41.5 | 41.4 | .3 | .3 | 41.4 | 41.2 | 41.4 | .2 |
| Apparel and other textile products..... | 36.6 | 36.3 | 36.2 | 36.4 | .3 | .2 | 36.4 | 36.3 | 36.3 | .1 |
| Paper and allied products..... | 43.0 | 43.0 | 43.2 | 42.4 | 0 | .6 | 42.9 | 42.8 | 42.9 | .1 |
| Printing and publishing..... | 38.3 | 38.1 | 38.5 | 37.6 | .2 | .7 | 38.3 | 38.1 | 38.2 | .2 |
| Chemicals and allied products..... | 41.9 | 41.9 | 41.9 | 41.6 | 0 | .3 | 41.8 | 41.9 | 41.8 | -.1 |
| Petroleum and coal products..... | 42.1 | 42.6 | 42.8 | 42.1 | -.5 | 0 | 42.0 | 42.3 | 42.3 | -.3 |
| Rubber and plastics products, n.e.c..... | 41.8 | 41.6 | 41.5 | 40.7 | .2 | 1.1 | 41.7 | 41.4 | 41.1 | .3 |
| Leather and leather products..... | 38.1 | 37.6 | 38.1 | 38.4 | .5 | -.3 | 37.9 | 37.8 | 38.7 | -.1 |
| Transportation and public utilities..... | 40.4 | 40.5 | 40.5 | 40.6 | -.1 | -.2 | 40.2 | 40.3 | 40.3 | -.1 |
| Wholesale and retail trade..... | 34.7 | 34.8 | 35.1 | 34.9 | -.1 | -.2 | 35.0 | 35.0 | 35.0 | 0 |
| Wholesale trade..... | 39.8 | 39.8 | 39.9 | 39.8 | 0 | 0 | 39.9 | 39.8 | 39.9 | .1 |
| Retail trade..... | 33.1 | 33.3 | 33.6 | 33.4 | -.2 | -.3 | 33.4 | 33.5 | 33.5 | -.1 |
| Finance, insurance, and real estate..... | 37.2 | 37.3 | 37.1 | 38.0 | -.1 | .2 | 37.2 | 37.3 | 37.2 | -.1 |
| Services..... | 34.0 | 34.1 | 34.2 | 37.0 | -.1 | 0 | 34.1 | 34.2 | 34.3 | -.1 |

¹ Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approxi-

mately four-fifths of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|--|----------------------------|---------------------------|----------------|---------------|--------------|---------------|----------------------------|---------------------------|----------------|---------------|--------------|---------------|
| | November 1972 ² | October 1972 ² | September 1972 | November 1971 | Change from | | November 1972 ² | October 1972 ² | September 1972 | November 1971 | Change from | |
| | | | | | October 1972 | November 1971 | | | | | October 1972 | November 1971 |
| Total private..... | \$3.73 | \$3.73 | \$3.72 | \$3.49 | 0 | \$0.24 | \$138.01 | \$129.13 | \$139.13 | \$129.13 | —\$1.12 | \$8.88 |
| Seasonally adjusted..... | 3.73 | 3.72 | 3.69 | 3.49 | \$.01 | .24 | 138.38 | 138.76 | 137.64 | 129.48 | — .38 | 8.90 |
| Mining..... | 4.39 | 4.41 | 4.42 | 3.93 | — .02 | .46 | 182.19 | 189.19 | 189.18 | 166.24 | —7.00 | 15.95 |
| Contract construction..... | 6.24 | 6.21 | 6.15 | 5.87 | .03 | .37 | 224.02 | 237.22 | 234.93 | 222.47 | —13.20 | 1.55 |
| Manufacturing..... | 3.88 | 3.86 | 3.86 | 3.59 | .02 | .29 | 159.08 | 157.49 | 158.26 | 144.32 | 1.59 | 14.76 |
| Durable goods..... | 4.14 | 4.11 | 4.11 | 3.82 | .03 | .32 | 172.64 | 170.98 | 171.39 | 155.47 | 1.66 | 17.17 |
| Ordnance and accessories..... | 4.12 | 4.12 | 4.15 | 3.87 | 0 | .25 | 175.10 | 174.69 | 175.55 | 162.54 | .41 | 12.56 |
| Lumber and wood products..... | 3.40 | 3.37 | 3.38 | 3.21 | .03 | .19 | 139.06 | 139.86 | 140.27 | 130.33 | — .80 | 8.73 |
| Furniture and fixtures..... | 3.14 | 3.12 | 3.11 | 2.93 | .02 | .21 | 128.11 | 127.30 | 127.51 | 118.37 | — .81 | 9.74 |
| Stone, clay, and glass products..... | 3.99 | 4.01 | 3.99 | 3.72 | — .02 | .27 | 167.58 | 170.43 | 169.18 | 155.87 | —2.85 | 11.71 |
| Primary metal industries..... | 4.77 | 4.73 | 4.75 | 4.36 | .04 | .41 | 201.29 | 197.24 | 199.50 | 173.96 | 4.05 | 27.33 |
| Fabricated metal products..... | 4.07 | 4.05 | 4.05 | 3.77 | .02 | .30 | 169.31 | 168.08 | 168.48 | 153.06 | 1.23 | 16.25 |
| Machinery, except electrical..... | 4.36 | 4.34 | 4.33 | 4.04 | .02 | .32 | 185.74 | 183.15 | 183.59 | 166.04 | 2.59 | 19.70 |
| Electrical equipment..... | 3.72 | 3.72 | 3.72 | 3.50 | 0 | .22 | 151.78 | 151.78 | 151.78 | 141.40 | 0 | 10.38 |
| Transportation equipment..... | 4.86 | 4.81 | 4.80 | 4.41 | .05 | .45 | 208.01 | 202.98 | 203.52 | 181.25 | 5.03 | 26.76 |
| Instruments and related products..... | 3.73 | 3.73 | 3.74 | 3.55 | 0 | .18 | 152.56 | 151.44 | 152.97 | 143.78 | 1.12 | 8.78 |
| Miscellaneous manufacturing..... | 3.15 | 3.14 | 3.13 | 2.98 | .01 | .17 | 124.43 | 124.03 | 123.64 | 117.71 | .40 | 6.72 |
| Nondurable goods..... | 3.53 | 3.52 | 3.51 | 3.29 | .01 | .24 | 141.20 | 140.45 | 140.40 | 130.28 | .75 | 10.92 |
| Food and kindred products..... | 3.65 | 3.63 | 3.61 | 3.41 | .02 | .24 | 147.83 | 146.29 | 148.01 | 136.74 | 1.54 | 11.09 |
| Tobacco manufactures..... | 3.54 | 3.40 | 3.35 | 3.07 | .14 | .47 | 129.56 | 128.18 | 118.59 | 109.29 | 1.38 | 20.27 |
| Textile mill products..... | 2.77 | 2.76 | 2.75 | 2.59 | .01 | .18 | 115.51 | 114.26 | 113.14 | 107.23 | 1.25 | 8.28 |
| Apparel and other textile products..... | 2.68 | 2.67 | 2.65 | 2.51 | .01 | .17 | 98.09 | 96.92 | 95.93 | 91.36 | 1.17 | 6.73 |
| Paper and allied products..... | 4.01 | 4.01 | 4.01 | 3.73 | 0 | .28 | 172.43 | 172.43 | 173.23 | 158.15 | 0 | 14.28 |
| Printing and publishing..... | 4.57 | 4.55 | 4.56 | 4.28 | .02 | .29 | 175.03 | 173.36 | 175.56 | 160.93 | 1.67 | 14.10 |
| Chemicals and allied products..... | 4.29 | 4.27 | 4.26 | 4.00 | .02 | .29 | 179.75 | 178.91 | 178.49 | 166.40 | — .84 | 13.35 |
| Petroleum and coal products..... | 5.00 | 5.01 | 5.00 | 4.64 | — .01 | .36 | 210.50 | 213.43 | 214.00 | 195.34 | —2.93 | 15.16 |
| Rubber and plastics products, n.e.c..... | 3.69 | 3.68 | 3.66 | 3.44 | .01 | .25 | 154.24 | 153.09 | 151.89 | 140.01 | 1.15 | 14.23 |
| Leather and leather products..... | 2.73 | 2.72 | 2.72 | 2.62 | .01 | .11 | 104.01 | 102.27 | 103.63 | 100.61 | 1.74 | 3.40 |
| Transportation and public utilities..... | 4.77 | 4.76 | 4.74 | 4.32 | .01 | .45 | 192.71 | 192.78 | 191.97 | 175.39 | — .07 | 17.32 |
| Wholesale and retail trade..... | 3.07 | 3.06 | 3.05 | 2.91 | .01 | .16 | 106.53 | 106.49 | 107.06 | 101.56 | — .04 | 4.97 |
| Wholesale trade..... | 3.93 | 3.93 | 3.91 | 3.74 | 0 | .19 | 156.41 | 156.41 | 156.01 | 148.85 | — .21 | 4.19 |
| Retail trade..... | 2.75 | 2.74 | 2.73 | 2.60 | .01 | .15 | 91.03 | 91.24 | 91.73 | 88.71 | — .21 | 4.99 |
| Finance, insurance, and real estate..... | 3.47 | 3.49 | 3.47 | 3.30 | — .02 | .17 | 129.08 | 130.18 | 128.74 | 122.10 | —1.10 | 6.98 |
| Services..... | 3.25 | 3.24 | 3.23 | 3.06 | .01 | .19 | 110.50 | 110.48 | 110.47 | 104.04 | .02 | 6.46 |

¹ See footnote 1, table B-2.

² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED

[1970 equals 100]

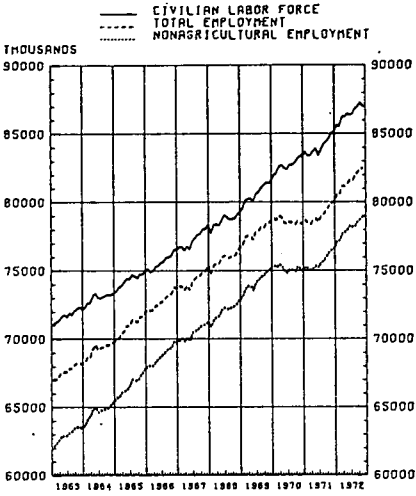
| Industry | No- vem- ber 1972 ¹ | Octo- ber 1972 ¹ | Sep- tem- ber 1972 | August 1972 | July 1972 | June 1972 | No- vem- ber 1971 | Percent change over month and year | |
|---|---|-----------------------------------|-----------------------------|----------------|--------------|--------------|----------------------------|--|---------------------------------------|
| | | | | | | | | October 1972- Novem- ber 1972 | November 1971- November 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 140.5 | 140.3 | 139.3 | 138.3 | 137.8 | 137.1 | 131.8 | 0.1 | 6.6 |
| Constant (1967) dollars..... | (?) | 110.8 | 110.4 | 110.1 | 110.0 | 109.8 | 107.5 | (?) | (?) |
| Mining..... | 136.2 | 137.7 | 138.1 | 137.8 | 137.3 | 136.3 | 126.6 | -1.0 | 7.6 |
| Contract construction..... | 150.0 | 149.0 | 147.8 | 146.8 | 145.6 | 145.6 | 141.5 | .7 | 6.0 |
| Manufacturing..... | 137.8 | 137.5 | 136.7 | 135.9 | 135.3 | 135.0 | 129.0 | .2 | 6.8 |
| Transportation and public utilities..... | 147.4 | 147.1 | 145.6 | 145.1 | 144.0 | 141.7 | 133.5 | .2 | 10.5 |
| Wholesale and retail trade..... | 137.2 | 137.1 | 136.3 | 135.6 | 135.3 | 134.4 | 130.0 | .1 | 5.5 |
| Finance, insurance, and real estate..... | 134.4 | 135.5 | 134.8 | 133.6 | 133.9 | 133.0 | 127.7 | -.8 | 5.3 |
| Services..... | 141.0 | 140.8 | 139.9 | 138.0 | 138.0 | 137.4 | 133.5 | .1 | 5.6 |

¹ Preliminary.² Indicates data are not available.³ Percent change was 0.4 from September 1972 to October 1972, the latest month available.⁴ Percent change was 2.9 from October 1971 to October 1972, the latest month available.

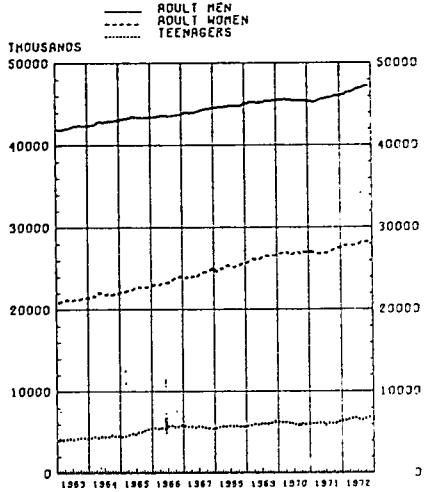
Note: All series are in current dollars except where indicated. The index excludes effects of 2 types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

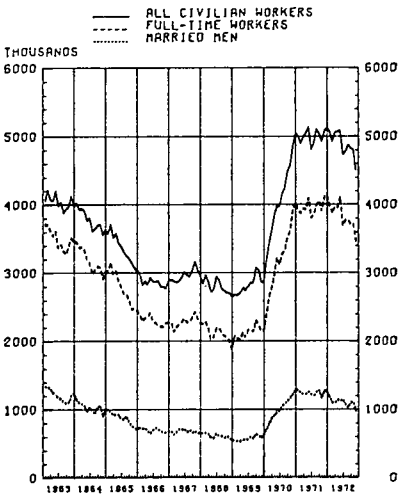
1. LABOR FORCE AND EMPLOYMENT



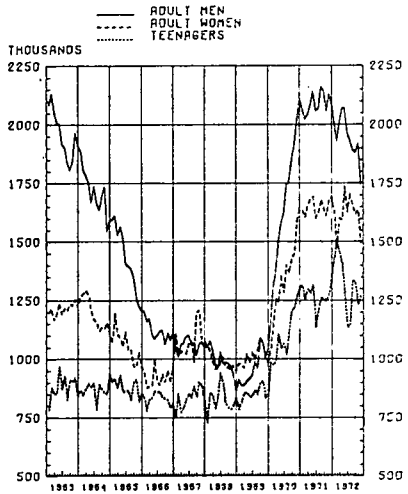
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

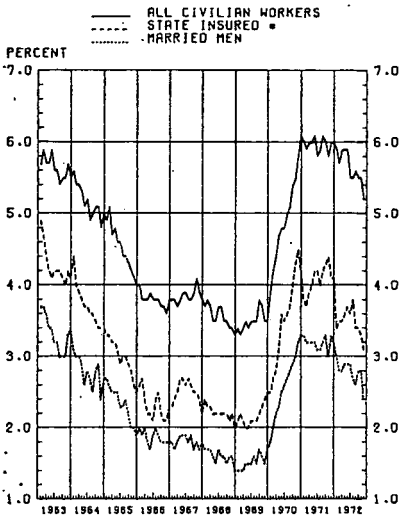


4. UNEMPLOYMENT

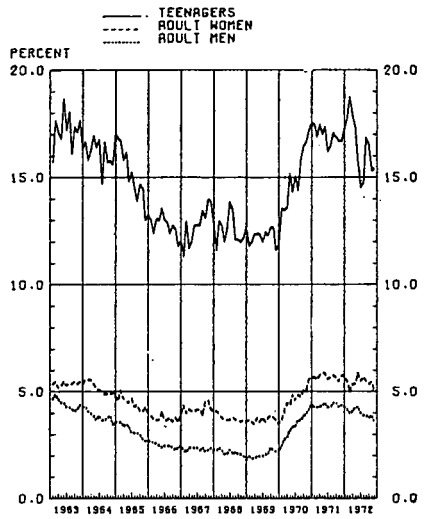


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

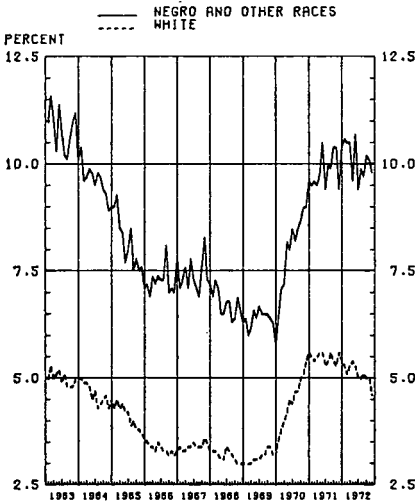
5. UNEMPLOYMENT RATES



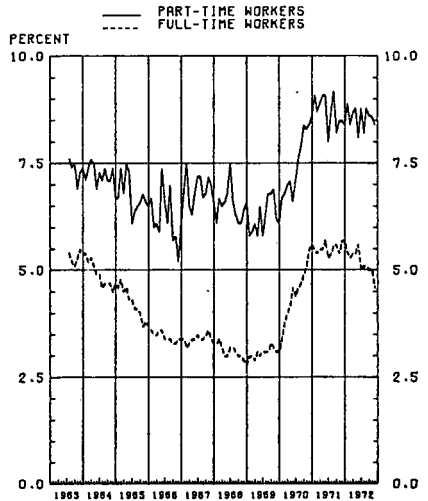
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



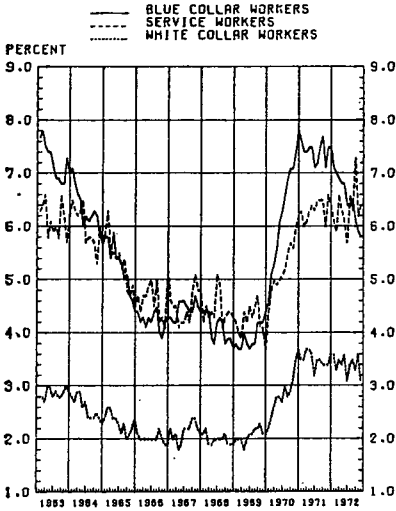
8. UNEMPLOYMENT RATES



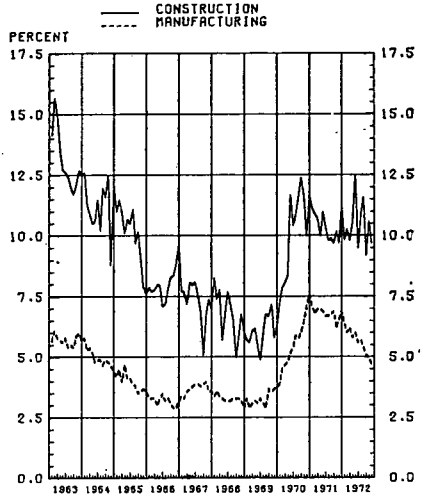
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

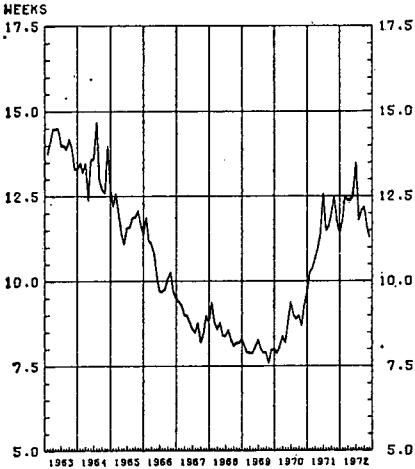
9. UNEMPLOYMENT RATES



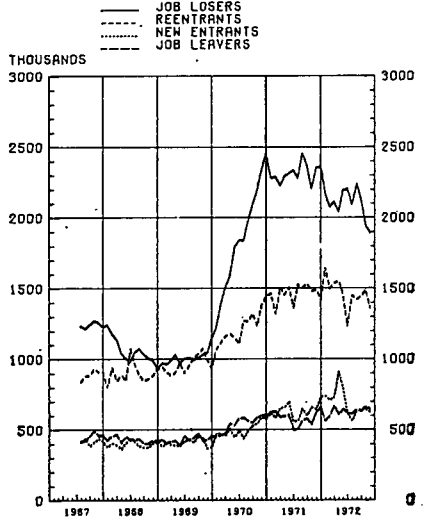
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION OF UNEMPLOYMENT



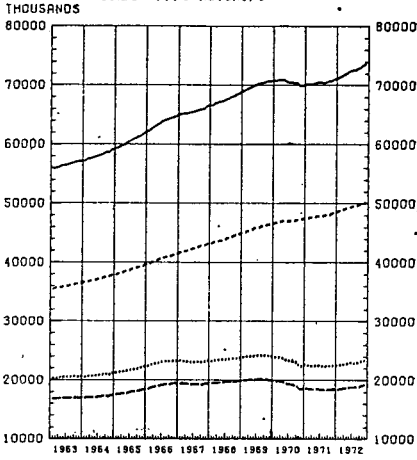
12. UNEMPLOYMENT BY REASON



NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

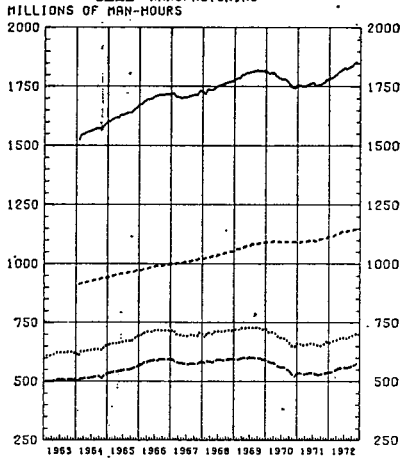
13. EMPLOYMENT

— TOTAL NONAGRICULTURAL
- - - SERVICE-PRODUCING
- · - · - GOODS-PRODUCING
- - - MANUFACTURING



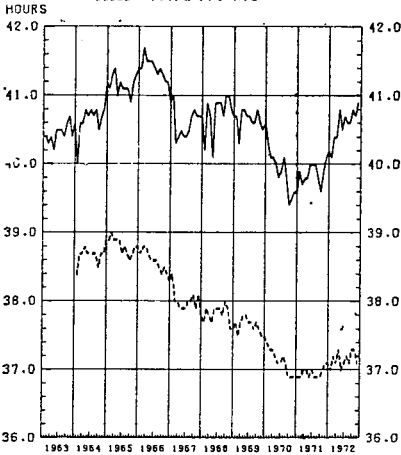
14. MAN-HOURS

— TOTAL PRIVATE NONAGRICULTURAL
- - - PRIVATE SERVICE-PRODUCING
- · - · - GOODS-PRODUCING
- - - MANUFACTURING

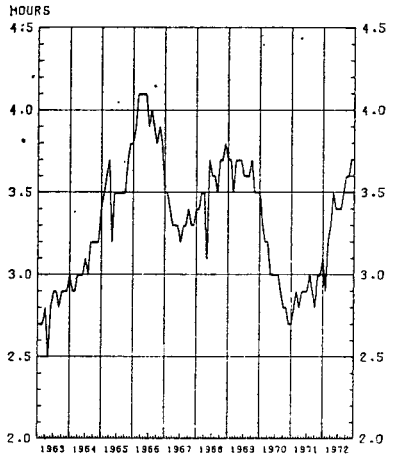


15. AVERAGE WEEKLY HOURS

— MANUFACTURING
- - - TOTAL PRIVATE



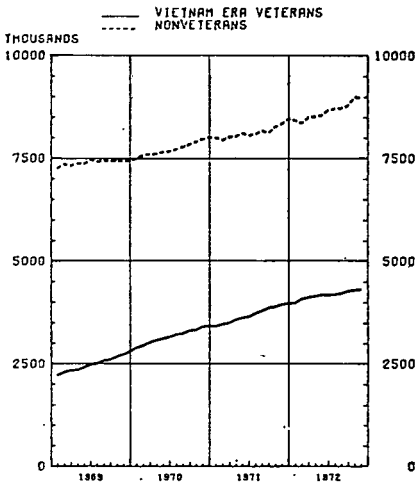
16. AVERAGE WEEKLY OVERTIME HOURS
IN MANUFACTURING



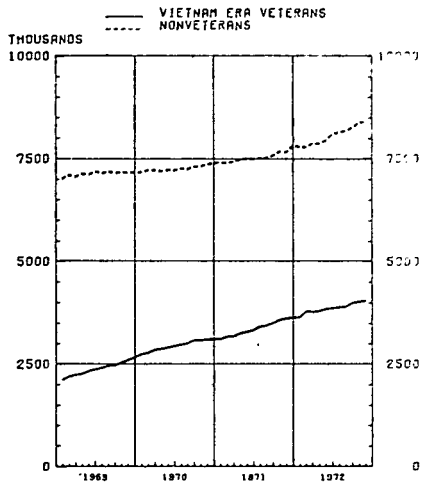
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS; 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

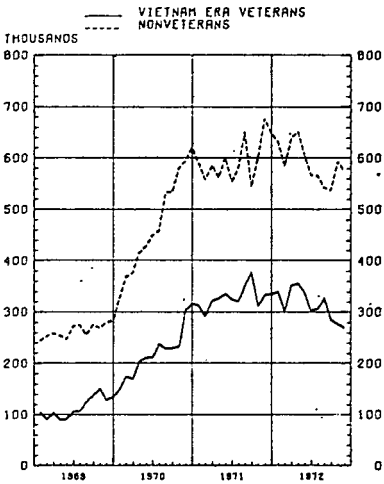
17. CIVILIAN LABOR FORCE



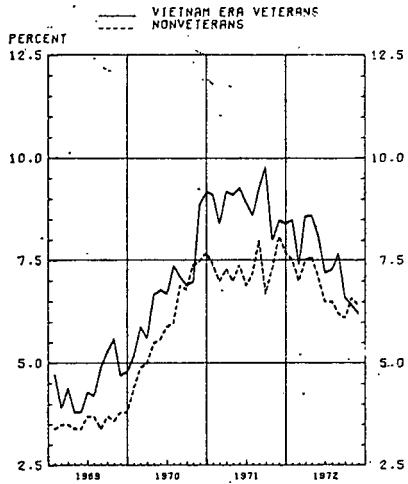
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



[Bureau of Labor Statistics, Department of Labor, Press Release No. 72-830, Dec. 7, 1972]

WHOLESALE PRICE INDEX: NOVEMBER 1972

The Wholesale Price Index rose 0.6 percent between October and November, the U.S. Department of Labor's Bureau of Labor Statistics announced today.

Industrial commodities increased 0.3 percent.

Prices of farm products and processed foods and feeds advanced 1.6 percent.

Consumer finished goods, a selection of commodities closely comparable to those in the commodity component of the Consumer Price Index, were up 0.7 percent.

Of the 15 major commodity groups measured by the Wholesale Price Index, 12 advanced between October and November and three showed no change. In November, the All Commodities WPI was 120.7 (1967=100), 5.4 percent above a year earlier; the industrial commodities index was up 3.7 percent compared with November 1971.

SEASONALLY ADJUSTED CHANGES

On a seasonally adjusted basis, the All Commodities Wholesale Price Index also rose 0.6 percent in November.

Industrial commodities increased 0.4 percent.

Farm products and processed foods and feeds advanced 1.4 percent.

Consumer finished goods were up 0.5 percent.

In the 6-month period ended in November, the All Commodities WPI rose at a seasonally adjusted annual rate of 5.7 percent. Prices in the last 3 months of the period rose more slowly than in the first 3 months; this reflected the moderate rate of advance for farm products and processed foods and feeds in September and October compared to the earlier months as well as the decrease for industrial commodities in October. During the 6 months ended in November, the index for farm products and processed foods and feeds advanced at a seasonally adjusted annual rate of 12.8 percent; however, for the last 3 months of the period, the rate was 9.7 percent compared with 15.9 percent for the first 3 months. The industrial commodities index rose at a seasonally adjusted annual rate of 3.2 percent in the June-November period. Within this 6-month period, the annual rate of increase was 4.1 percent in the 3 months ended in August and 2.2 percent in the 3 months ended in November. The consumer finished goods index rose at a seasonally adjusted annual rate of 4.6 percent for the 6 months ended in November. The index increased at a lower rate in the last 3 months of the period (1.0 percent) than in the first 3 months (8.2 percent), reflecting in part the slower rise for food products in recent months. (For changes over 3-, 6-, and 12-month spans, see table 2.)

During the first year of Phase II of the Economic Stabilization Program, the WPI rose 5.4 percent. This compares with a rise at a seasonally adjusted annual rate of 5.2 percent in the 8 months of 1971 prior to the price-wage freeze that began in August (see table below.) The slightly larger advance during Phase II was due to a sharp acceleration in prices of raw and processed agricultural products which comprise about one-quarter of the index. Prices of industrial commodities, which make up the greater part of the index, rose 3.7 percent in Phase II compared with 4.7 percent during 1971 prior to the freeze.

Comparative seasonally adjusted annual rates of change in the WPI and major components before and during the Economic Stabilization Program that began in August 1971 are as follows:

| | 1971 prior to phase I (December 1970, to August 1971) | 3 months phase I (Au- gust to No- vember 1971) | 12 months phase II (No- vember 1971, to November 1972) | 15 months phases I and II (August 1971, to No- vember 1972) |
|---|---|---|--|---|
| All commodities..... | 5.2 | -0.2 | 5.4 | 4.3 |
| Industrial commodities..... | 4.7 | - .5 | 3.7 | 2.8 |
| Farm products, processed foods and feeds..... | 6.5 | 1.1 | 10.3 | 8.4 |
| Consumer finished goods..... | 4.1 | -1.1 | 4.2 | 3.2 |
| Foods..... | 6.8 | .3 | 7.3 | 5.8 |
| Finished goods, excluding foods..... | 2.2 | - .4 | 2.2 | 1.7 |

Among consumer finished goods, foods rose 0.6 percent in November, after seasonal adjustment, largely because of advances for fresh vegetables, eggs, and dairy products; meats, however, declined. Consumer nonfood finished goods increased 0.3 percent over the month. Within this grouping, nondurable finished goods were up 0.3 percent, chiefly due to higher prices for footwear and apparel. A 0.3 percent advance for consumer durables mostly reflected higher prices for some passenger cars and for furniture.

Producer finished goods moved up 0.2 percent on a seasonally adjusted basis because of advances for commercial furniture, motor trucks, and some types of machinery. Increases for lumber, leather, and some textile products explained most of the 0.4 percent increase for processed (intermediate) materials, supplies, and components (excluding foods and feeds). The index for crude materials for further processing (excluding foods, feeds and fibers) rose 2.2 percent, principally as a result of increases for bituminous coal, hides and skins, and natural gas.

PRICE CHANGES FOR COMMODITY GROUPS, NOT SEASONALLY ADJUSTED

Two commodity groups—hides, skins, leather and related products and fuels and related products and power—were the leading influences on the industrials index in November; each had about the same effect on the index and together they were responsible for close to half of the total upward movement. Leather (principally cattlehide), footwear, footwear cut stock, and hides and skins registered substantial advances. Increases for bituminous coal, natural gas, and gasoline raised the fuels index; electric power and residual fuels were somewhat lower. Prices rose for manmade fiber textile products (mostly broadwoven goods), apparel, and cotton and wool textile products; jute woven goods declined. Paper and converted paper and paperboard products moved up. An advance in the chemicals index principally reflected higher prices for inedible fats and oils, pharmaceutical preparations, mixed fertilizers, plastic resins, and some industrial chemicals.

Machinery and equipment prices edged up at the same moderate rate as in October. While almost all lumber and wood products registered advances, the overall increase was the smallest so far this year; softwood plywood prices declined. Motor vehicles averaged slightly higher in price. Both commercial and household furniture moved up and floor coverings showed slight increases, but television receivers declined. Crude natural rubber and miscellaneous rubber products registered advances, and plastic products also showed gains. The metals and metal products index remained unchanged as increases for iron and steel scrap and some fabricated metal products were balanced by declines for pig iron and ferroalloys and nonferrous metals. Price changes in the nonmetallic mineral products group also were offsetting.

A 2.8 percent increase for farm products was due mostly to higher prices for fresh and dried vegetables, eggs, oilseeds, grains, raw cotton, and wood; livestock, fresh fruit, live poultry, and fluid milk were lower. The processed foods and feeds index rose 1.0 percent as advances for manufactured animal feeds, dairy products, fish, cereal and bakery products, processed fruits and vegetables, and beverages and beverage materials outweighed declines for meats, processed poultry, sugar and confectionary, fats and oils, and all other food categories.

A NOTE ON SEASONALLY ADJUSTED AND UNADJUSTED DATA

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred since they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and supply cycles, model changeovers, seasonal discounts and holidays. Seasonally adjusted data are subject to revision when seasonal factors are revised.

The unadjusted data are of principal interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

TABLE 1.—WHOLESALE PRICE INDEXES FOR MAJOR COMMODITY GROUPS AND SPECIAL GROUPINGS, NOVEMBER 1972

| | Relative importance, ¹ December 1971 | Unadjusted indexes (1967=100 unless otherwise noted) | | Unadjusted percent change to November 1972 from— | | Seasonally adjusted percent change between— | | |
|--|---|--|--------------|--|---------------|---|------------------------|-----------------------|
| | | November 1972 | October 1972 | October 1972 | November 1971 | October–November 1972 | September–October 1972 | August–September 1972 |
| All commodities..... | 100.000 | 120.7 | 120.0 | 0.6 | 5.4 | 0.6 | 0.1 | 0.3 |
| All commodities (1957–59=100)..... | | 128.1 | 127.3 | | | | | |
| COMMODITY GROUPS | | | | | | | | |
| Farm products, and processed foods and feeds..... | 26.838 | 125.3 | 123.3 | 1.6 | 10.3 | 1.4 | .2 | .8 |
| Farm products..... | 10.432 | 128.8 | 125.5 | 2.6 | 14.8 | 1.8 | -1.5 | .9 |
| Processed foods and feeds..... | 16.405 | 123.1 | 121.8 | 1.1 | 7.6 | 1.2 | .9 | 1.1 |
| Industrial commodities..... | 73.162 | 119.1 | 118.8 | .3 | 3.7 | .4 | -.1 | .2 |
| Textile products and apparel..... | 6.849 | 115.1 | 114.8 | .3 | 4.8 | .3 | .6 | .2 |
| Hides, skins, leather, and related products..... | 1.254 | 144.0 | 139.8 | 3.0 | 25.1 | 3.1 | 2.8 | .9 |
| Fuels and related products and power..... | 7.174 | 121.3 | 120.6 | .6 | 5.8 | .7 | .3 | .4 |
| Chemicals and allied products..... | 5.716 | 104.7 | 104.4 | .3 | .9 | .3 | 0 | .1 |
| Rubber and plastic products ² | 2.257 | 109.8 | 109.5 | .3 | .3 | | | |
| Lumber and wood products..... | 2.854 | 149.4 | 149.2 | .1 | 13.8 | 1.3 | 1.7 | .1 |
| Pulp, paper and allied products..... | 4.705 | 115.0 | 114.7 | .3 | 4.0 | .3 | .3 | .3 |
| Metals and metal products..... | 13.439 | 124.1 | 124.1 | 0 | 2.6 | .4 | .2 | -.1 |
| Machinery and equipment..... | 12.280 | 118.5 | 118.4 | .1 | 2.2 | .1 | 0 | 0 |
| Furniture and household durables..... | 3.438 | 112.3 | 112.0 | .3 | 1.9 | .3 | 0 | .4 |
| Nonmetallic mineral products..... | 3.296 | 127.3 | 127.3 | 0 | 2.7 | .3 | .4 | .5 |
| Transportation equipment (December 1968=100) ² | 7.416 | 113.0 | 112.9 | .1 | 2.0 | | | |
| Miscellaneous products ² | 2.486 | 115.0 | 115.0 | 0 | 1.7 | | | |
| SPECIAL GROUPINGS | | | | | | | | |
| Consumer finished goods..... | 33.270 | 117.9 | 117.1 | .7 | 4.2 | .5 | -.2 | -.1 |
| Foods..... | 13.059 | 124.1 | 122.3 | 1.5 | 7.3 | .6 | .9 | -.3 |
| Finished goods, excluding foods..... | 20.211 | 114.1 | 113.9 | .2 | 2.2 | .3 | -.7 | .4 |
| Nondurable..... | 12.383 | 115.0 | 114.7 | .3 | 3.0 | .3 | .3 | .3 |
| Durable..... | 7.828 | 112.8 | 112.7 | .1 | 1.3 | .3 | -2.5 | .4 |
| Producer finished goods..... | 10.201 | 119.9 | 119.7 | .2 | 2.5 | .2 | -.6 | .1 |
| Manufactured goods..... | 83.270 | 119.2 | 118.8 | .3 | 4.1 | .4 | 0 | .3 |
| Durable..... | 43.242 | 121.8 | 121.7 | .1 | 3.0 | .2 | -.5 | .1 |
| Intermediate materials, supplies and components, excluding selected items ³ | 41.355 | 120.3 | 120.1 | .2 | 4.1 | .4 | .3 | .1 |
| Crude materials for further processing, excluding selected items ⁴ | 2.814 | 136.3 | 133.8 | 1.9 | 11.2 | 2.2 | 1.2 | -.1 |

¹ Comprehensive relative importance figures are computed once each year in December.

² Not seasonally adjusted.

³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.

⁴ Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

TABLE 2.—PERCENT CHANGES IN WHOLESALE PRICE INDEXES AND COMPONENTS, NOVEMBER 1972

| Month | All commodities | | | | | Industrial commodities | | | | |
|-----------------|---|---------------------|-------------------------------|---------------------------|----------------------------|------------------------|---------------------|-------------------------------|---------------------------|----------------------------|
| | From previous month | | At compound annual rates from | | | From previous month | | At compound annual rates from | | |
| | Unadjusted | Seasonally adjusted | 3 months ago ¹ | 6 months ago ¹ | 12 months ago ² | Unadjusted | Seasonally adjusted | 3 months ago ¹ | 6 months ago ¹ | 12 months ago ² |
| 1971: | | | | | | | | | | |
| November | 0.1 | 0.1 | -0.2 | 2.6 | 3.2 | -0.1 | 0.1 | -0.5 | 2.7 | 3.2 |
| December | .8 | .6 | 3.5 | 3.0 | 4.0 | .3 | .2 | .6 | 2.5 | 3.2 |
| 1972: | | | | | | | | | | |
| January | .8 | .5 | 5.1 | 3.7 | 4.0 | .5 | .4 | 2.8 | 2.0 | 3.3 |
| February | .9 | .5 | 6.9 | 3.3 | 4.0 | .5 | .4 | 4.0 | 1.7 | 3.6 |
| March | .1 | .1 | 4.9 | 4.2 | 3.9 | .3 | .3 | 4.2 | 2.4 | 3.5 |
| April | .1 | .3 | 3.8 | 4.5 | 3.7 | .4 | .4 | 4.5 | 3.6 | 3.5 |
| May | .6 | .5 | 3.4 | 5.2 | 3.9 | .3 | .4 | 4.3 | 4.1 | 3.4 |
| June | .5 | .5 | 4.9 | 4.9 | 3.9 | .3 | .4 | 4.9 | 4.5 | 3.5 |
| July | .8 | .7 | 6.6 | 5.2 | 4.5 | .2 | .2 | 4.1 | 4.3 | 3.1 |
| August | .2 | .6 | 7.4 | 5.4 | 4.4 | .3 | .4 | 4.1 | 4.2 | 3.0 |
| September | .3 | .3 | 6.7 | 5.8 | 5.0 | .2 | .2 | 3.2 | 4.1 | 3.2 |
| October | -.2 | .1 | 4.1 | 5.4 | 4.9 | .1 | -.1 | 1.9 | 3.0 | 3.3 |
| November | .6 | .6 | 3.9 | 5.7 | 5.4 | .8 | .4 | 2.2 | 3.2 | 3.7 |
| | | | | | | | | | | |
| | Farm products and processed foods and feeds | | | | | Consumer foods | | | | |
| Month | From previous month | | At compound annual rates from | | | From previous month | | At compound annual rates from | | |
| | Unadjusted | Seasonally adjusted | 3 months ago ¹ | 6 months ago ¹ | 12 months ago ² | Unadjusted | Seasonally adjusted | 3 months ago ¹ | 6 months ago ¹ | 12 months ago ² |
| 1971: | | | | | | | | | | |
| November | 0.5 | 0.3 | 1.1 | 2.3 | 3.4 | 0.6 | -0.2 | 0.3 | 1.6 | 3.3 |
| December | 2.0 | 1.4 | 12.2 | 4.4 | 6.0 | 1.7 | 1.5 | 14.4 | 4.2 | 6.0 |
| 1972: | | | | | | | | | | |
| January | 1.3 | .9 | 10.9 | 7.7 | 6.1 | .8 | .4 | 7.0 | 8.2 | 5.7 |
| February | 1.9 | 1.2 | 14.7 | 7.6 | 5.3 | 1.6 | 1.5 | 14.5 | 7.2 | 5.9 |
| March | -.4 | -.3 | 7.0 | 9.6 | 5.0 | -1.0 | -1.0 | 3.8 | 8.9 | 4.2 |
| April | -.7 | -.1 | 3.1 | 6.9 | 4.4 | -1.2 | -.3 | .7 | 3.8 | 3.1 |
| May | 1.4 | .8 | 1.4 | 7.8 | 5.0 | 1.3 | .5 | -3.3 | 5.2 | 3.4 |
| June | 1.1 | .5 | 4.8 | 5.9 | 5.1 | 1.0 | .5 | 2.7 | 3.2 | 3.7 |
| July | 2.2 | 1.8 | 13.1 | 8.0 | 7.8 | 2.2 | 1.3 | 9.8 | 5.1 | 6.7 |
| August | -.2 | 1.4 | 15.9 | 8.4 | 8.0 | -.2 | 1.4 | 13.7 | 4.9 | 6.0 |
| September | .6 | .8 | 17.4 | 10.9 | 10.2 | .4 | -.3 | 10.0 | 6.3 | 7.6 |
| October | -1.0 | .2 | 9.8 | 11.4 | 9.1 | -1.1 | .9 | 8.1 | 8.9 | 6.3 |
| November | 1.6 | 1.4 | 9.7 | 12.8 | 10.3 | 1.5 | .6 | 5.0 | 9.2 | 7.3 |

See footnotes at end of table.

TABLE 2.—PERCENT CHANGES IN WHOLESALE PRICE INDEXES AND COMPONENTS, NOVEMBER 1972—Continued

| Month | Consumer finished goods, total | | | | | Consumer goods, excluding foods | | | | |
|----------------|--------------------------------|---------------------|-------------------------------|---------------------------|----------------------------|---------------------------------|---------------------|-------------------------------|---------------------------|----------------------------|
| | From previous month | | At compound annual rates from | | | From previous month | | At compound annual rates from | | |
| | Unadjusted | Seasonally adjusted | 3 months ago ¹ | 6 months ago ¹ | 12 months ago ² | Unadjusted | Seasonally adjusted | 3 months ago ¹ | 6 months ago ¹ | 12 months ago ² |
| | | | | | | | | | | |
| 1971: | | | | | | | | | | |
| November..... | 0.2 | 0.1 | -1.1 | 1.1 | 2.4 | 0 | 0.1 | -0.4 | 0.9 | 1.8 |
| December..... | 1.0 | .9 | 5.8 | 2.7 | 3.3 | .4 | .4 | 1.1 | 1.6 | 1.7 |
| 1972: | | | | | | | | | | |
| January..... | .4 | .3 | 5.0 | 4.0 | 3.1 | .2 | .3 | 2.9 | 1.4 | 1.4 |
| February..... | .8 | .7 | 7.6 | 3.2 | 3.2 | .2 | .2 | 3.3 | 1.4 | 1.5 |
| March..... | -.3 | -.3 | 2.8 | 4.3 | 2.8 | .2 | .3 | 2.9 | 2.0 | 1.9 |
| April..... | -.3 | 0 | 1.8 | 3.4 | 2.5 | .2 | .3 | 2.9 | 2.9 | 2.2 |
| May..... | .6 | .3 | .3 | 3.9 | 2.5 | .2 | .2 | 2.9 | 3.1 | 2.0 |
| June..... | .5 | .3 | 2.5 | 2.6 | 2.7 | .3 | .2 | 2.5 | 2.7 | 2.2 |
| July..... | 1.0 | .8 | 5.7 | 3.7 | 3.8 | .3 | .3 | 2.5 | 2.7 | 2.1 |
| August..... | .1 | .9 | 8.2 | 4.2 | 3.6 | .3 | .4 | 3.2 | 3.0 | 2.2 |
| September..... | .3 | -.1 | 6.7 | 4.6 | 4.4 | .2 | .4 | 3.9 | 3.2 | 2.6 |
| October..... | -.5 | -.2 | 2.8 | 4.2 | 3.7 | -.3 | -.7 | 0 | 1.2 | 2.1 |
| November..... | .7 | .5 | 1.0 | 4.6 | 4.2 | .2 | .3 | -1.4 | 1.4 | 2.2 |

¹ Seasonally adjusted.

² Unadjusted.

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, NOVEMBER 1972

[1967=100 unless otherwise indicated]

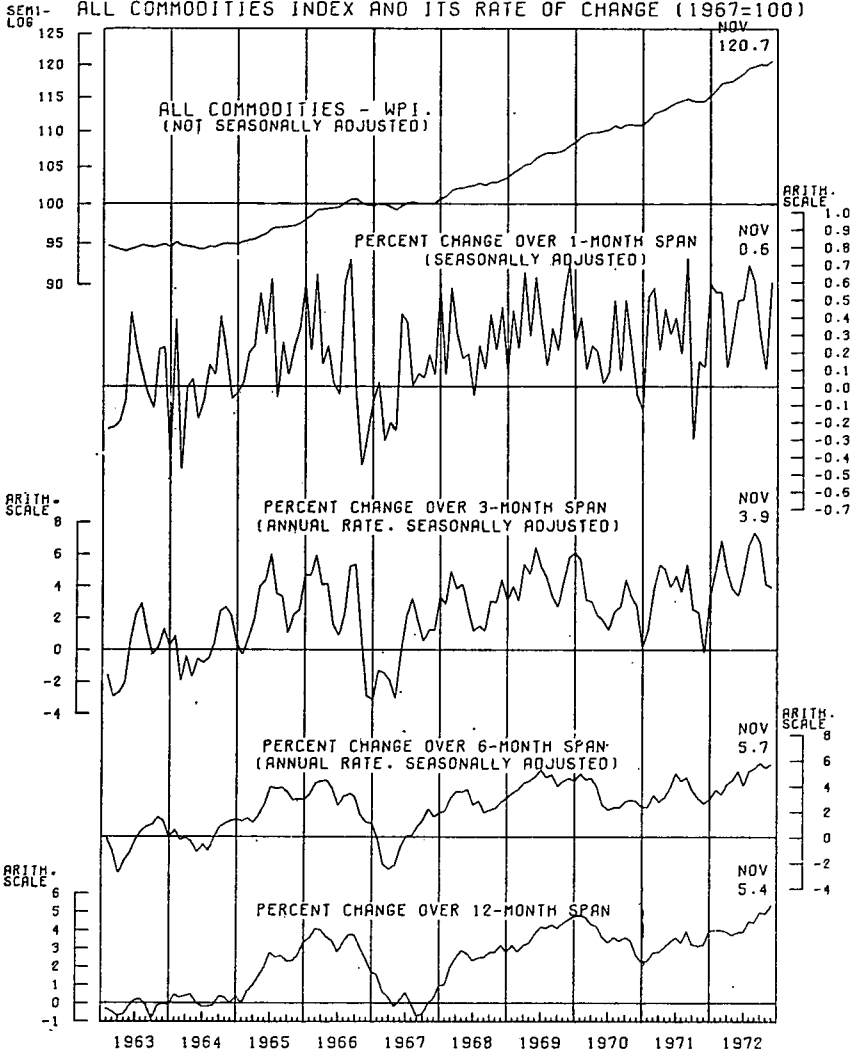
| Grouping | Indexes | | | Percent change to November 1972 from— | |
|--|----------|---------|----------|--|------------|
| | 1972 | | 1971 | 1 month ago | 1 year ago |
| | November | October | November | | |
| Farm products..... | 128.8 | 125.5 | 112.2 | 2.6 | 14.8 |
| Fresh and dried fruits and vegetables..... | 141.8 | 122.8 | 127.1 | 15.5 | 11.6 |
| Grains..... | 113.6 | 109.2 | 87.8 | 4.0 | 29.4 |
| Livestock..... | 139.5 | 144.2 | 121.0 | -3.3 | 15.3 |
| Live poultry..... | 102.8 | 103.8 | 92.3 | -1.0 | 11.4 |
| Plant and animal fibers..... | 112.2 | 105.7 | 97.3 | 6.1 | 15.3 |
| Fluid milk..... | 123.5 | 123.8 | 118.8 | -2 | 4.0 |
| Eggs..... | 123.1 | 99.1 | 88.5 | 24.2 | 39.1 |
| Hay, hayseeds, and oilseeds..... | 124.6 | 114.9 | 109.0 | 8.4 | 14.3 |
| Other farm products..... | 134.0 | 132.3 | 111.8 | 1.3 | 19.9 |
| Processed foods and feeds..... | 123.1 | 121.8 | 114.4 | 1.1 | 7.6 |
| Cereal and bakery products..... | 118.3 | 116.9 | 111.5 | 1.2 | 6.1 |
| Meats, poultry, and fish..... | 127.9 | 130.4 | 117.1 | -1.9 | 9.2 |
| Dairy products..... | 121.8 | 120.0 | 116.3 | 1.5 | 4.7 |
| Processed fruits and vegetables..... | 123.8 | 121.8 | 115.4 | 1.6 | 7.3 |
| Sugar and confectionery..... | 121.7 | 123.5 | 119.1 | -1.5 | 2.2 |
| Beverages and beverage materials..... | 119.4 | 118.8 | 116.6 | .5 | 2.4 |
| Animal fats and oils..... | 134.9 | 129.6 | 130.1 | 4.1 | 3.7 |
| Crude vegetable oils..... | 93.7 | 94.9 | 128.6 | -1.3 | -27.1 |
| Refined vegetable oils..... | 104.6 | 108.4 | 130.4 | -3.5 | -19.8 |
| Vegetable oil end products..... | 121.6 | 123.2 | 122.8 | -1.3 | -1.0 |
| Miscellaneous processed foods..... | 116.1 | 116.9 | 113.0 | -7 | 2.7 |
| Manufactured animal feeds..... | 130.5 | 116.5 | 100.3 | 12.0 | 30.1 |
| Textile products and apparel..... | 115.1 | 114.8 | 109.8 | .3 | 4.8 |
| Cotton products..... | 124.2 | 124.0 | 112.5 | .2 | 10.4 |
| Wool products..... | 107.1 | 106.6 | 92.3 | .5 | 16.0 |
| Manmade fiber textile products..... | 109.9 | 108.6 | 103.2 | .8 | 6.1 |
| Apparel..... | 115.9 | 115.6 | 113.8 | .3 | 1.8 |
| Textile housefurnishings..... | 109.9 | 110.0 | 104.1 | -.1 | 5.6 |
| Miscellaneous textile products..... | 118.7 | 121.3 | 121.2 | -2.1 | -2.1 |
| Hides, skins, leather, and related products..... | 144.0 | 139.8 | 115.1 | 3.0 | 25.1 |
| Hides and skins..... | 287.0 | 270.8 | 123.1 | 6.0 | 133.1 |
| Leather..... | 162.6 | 153.3 | 113.5 | 6.1 | 43.3 |
| Footwear..... | 128.5 | 127.0 | 117.1 | 1.2 | 9.7 |
| Other leather and related products..... | 127.1 | 123.6 | 109.1 | 2.8 | 16.5 |
| Fuels and related products and power..... | 121.3 | 120.6 | 114.7 | .6 | 5.8 |
| Coal..... | 201.2 | 192.4 | 182.9 | 4.6 | 10.0 |
| Coke..... | 157.0 | 157.0 | 150.5 | 0 | 4.3 |
| Gas fuels..... | 119.0 | 117.5 | 108.8 | 1.3 | 9.4 |
| Electric power..... | 123.0 | 123.1 | 116.2 | -.1 | 5.9 |
| Crude petroleum..... | 114.7 | 114.7 | 113.2 | 0 | 1.3 |
| Petroleum products, refined..... | 111.5 | 111.5 | 106.2 | 0 | 5.0 |
| Chemicals and allied products..... | 104.7 | 104.4 | 103.8 | .3 | .9 |
| Industrial chemicals..... | 100.9 | 100.8 | 101.7 | -.1 | -.8 |
| Prepared paint..... | 118.2 | 118.2 | 115.9 | 0 | 2.0 |
| Paint materials..... | 105.1 | 105.1 | 99.7 | 0 | 5.4 |
| Drugs and pharmaceuticals..... | 103.6 | 103.3 | 102.4 | .3 | 1.2 |
| Fats and oils, inedible..... | 123.2 | 117.2 | 125.3 | 5.1 | -1.7 |
| Agricultural chemicals and chemical products..... | 92.4 | 92.1 | 90.3 | .3 | 2.3 |
| Plastic resins and materials..... | 89.6 | 89.2 | 89.2 | .4 | .4 |
| Other chemicals and allied products..... | 114.1 | 114.1 | 112.5 | 0 | 1.4 |
| Rubber and plastic products..... | 109.8 | 109.5 | 109.5 | .3 | .3 |
| Rubber and rubber products..... | 114.6 | 114.3 | 113.3 | .3 | 1.1 |
| Crude rubber..... | 100.8 | 99.6 | 98.5 | 1.2 | 2.3 |
| Tires and tubes..... | 109.7 | 109.7 | 110.8 | 0 | -1.0 |
| Miscellaneous rubber products..... | 122.0 | 121.7 | 119.2 | .2 | 2.3 |
| Plastic construction products (December 1969=100)..... | 93.3 | 93.3 | 94.1 | 0 | -.9 |
| Unsupported plastic film and sheeting (December 1970=100)..... | 98.6 | 98.3 | 100.1 | .3 | -1.5 |
| Laminated plastic sheets, high pressure (December 1970=100)..... | 97.9 | 97.6 | 98.0 | .3 | -.1 |
| Lumber and wood products..... | 149.4 | 149.2 | 131.3 | 0.1 | 13.8 |
| Lumber..... | 166.8 | 166.1 | 141.9 | .4 | 17.5 |
| Millwork..... | 130.9 | 130.7 | 123.7 | .2 | 5.8 |
| Plywood..... | 133.3 | 134.6 | 115.9 | -1.0 | 15.0 |
| Other wood products..... | 130.2 | 128.2 | 119.5 | 1.6 | 9.0 |

TABLE 3.—WHOLESALE PRICE INDEXES FOR COMMODITY GROUPS AND SUBGROUPS, NOVEMBER 1972—Continued

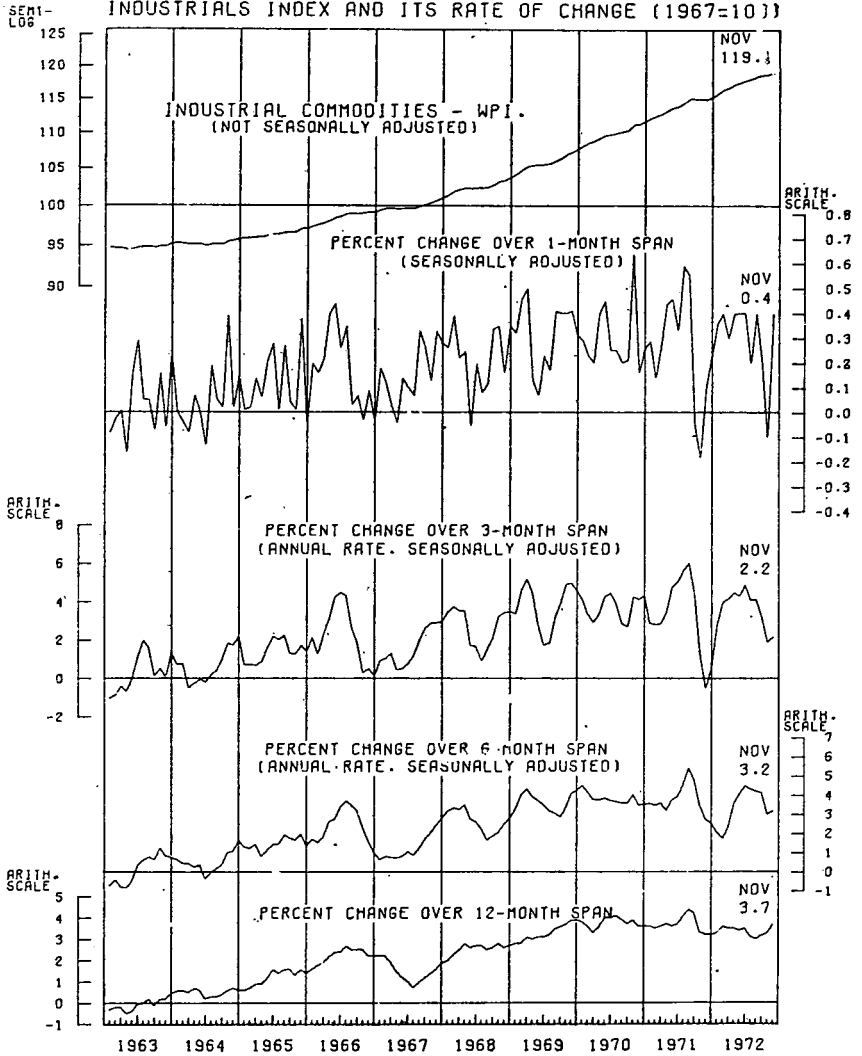
(1967=100 unless otherwise indicated)—Continued

| Grouping | Indexes | | | Percent change to November 1972 from— | |
|---|----------|---------|----------|--|------------|
| | 1972 | | 1971 | 1 month ago | 1 year ago |
| | November | October | November | | |
| Pulp, paper, and allied products..... | 115.0 | 114.7 | 110.6 | .3 | 4.0 |
| Pulp, paper, and products, excluding building paper and board..... | 115.3 | 115.0 | 110.9 | .3 | 4.0 |
| Woodpulp..... | 111.5 | 111.5 | 111.5 | 0 | 0 |
| Wastepaper..... | 136.9 | 136.9 | 117.2 | 0 | 16.8 |
| Paper..... | 117.3 | 116.8 | 114.7 | .4 | 2.3 |
| Paperboard..... | 106.8 | 106.8 | 102.9 | 0 | 3.8 |
| Converted paper and paperboard products..... | 115.6 | 115.4 | 110.1 | .2 | 5.0 |
| Building paper and board..... | 107.2 | 107.3 | 104.7 | — | 2.4 |
| Metals and metal products..... | 124.1 | 124.1 | 120.9 | 0 | 2.6 |
| Iron and steel..... | 129.0 | 128.9 | 125.3 | .1 | 3.0 |
| Nonferrous metals..... | 117.2 | 117.3 | 116.0 | — | 1.0 |
| Metal containers..... | 331.1 | 331.1 | 324.2 | 0 | 5.6 |
| Hardware..... | 121.4 | 121.1 | 117.7 | .2 | 3.1 |
| Plumbing fixtures and brass fittings..... | 120.8 | 120.6 | 118.3 | .2 | 2.3 |
| Heating equipment..... | 119.2 | 119.2 | 116.5 | 0 | 2.3 |
| Fabricated structural metal products..... | 123.1 | 123.0 | 120.3 | .1 | 2.3 |
| Miscellaneous metal products..... | 124.9 | 124.8 | 119.7 | .1 | 4.3 |
| Machinery and equipment..... | 118.5 | 118.4 | 115.9 | .1 | 2.2 |
| Agricultural machinery and equipment..... | 122.9 | 122.6 | 117.5 | .2 | 4.6 |
| Construction machinery and equipment..... | 126.3 | 126.1 | 122.0 | .2 | 3.5 |
| Metalworking machinery and equipment..... | 121.3 | 121.2 | 118.2 | .1 | 2.6 |
| General purpose machinery and equipment..... | 123.3 | 123.2 | 120.2 | .1 | 2.6 |
| Special industry machinery and equipment..... | 124.5 | 124.3 | 122.0 | .2 | 2.0 |
| Electrical machinery and equipment..... | 110.6 | 110.5 | 109.3 | .1 | 2.5 |
| Miscellaneous machinery..... | 120.8 | 120.9 | 117.8 | — | 1.2 |
| Furniture and household durables..... | 112.3 | 112.0 | 110.2 | .3 | 1.9 |
| Household furniture..... | 118.1 | 117.7 | 115.4 | .3 | 2.3 |
| Commercial furniture..... | 123.4 | 121.7 | 118.2 | 1.4 | 4.4 |
| Floor coverings..... | 99.1 | 99.0 | 97.6 | .1 | 1.5 |
| Household appliances..... | 108.0 | 108.0 | 107.6 | 0 | 1.4 |
| Home electronic equipment..... | 92.5 | 92.9 | 93.4 | — | —1.0 |
| Other household durable goods..... | 126.9 | 126.9 | 122.0 | 0 | 4.0 |
| Nonmetallic mineral products..... | 127.3 | 127.3 | 124.0 | 0 | 2.7 |
| Flat glass..... | 122.5 | 122.5 | 123.1 | 0 | —5 |
| Concrete ingredients..... | 128.5 | 128.4 | 124.3 | .1 | 3.4 |
| Concrete products..... | 127.3 | 127.2 | 122.6 | .1 | 3.8 |
| Structural clay products excluding refractories..... | 118.8 | 118.4 | 114.9 | .3 | 3.4 |
| Refractories..... | 132.1 | 132.1 | 127.1 | 0 | 3.9 |
| Asphalt roofing..... | 131.2 | 131.2 | 131.2 | 0 | 0 |
| Gypsum products..... | 115.0 | 115.5 | 112.1 | — | 2.6 |
| Glass containers..... | 136.4 | 136.4 | 131.5 | 0 | 3.7 |
| Other nonmetallic minerals..... | 127.3 | 127.3 | 125.6 | 0 | 1.4 |
| Transportation equipment (December 1968 = 100)..... | 113.0 | 112.9 | 110.8 | .1 | 2.0 |
| Motor vehicles and equipment..... | 117.0 | 116.9 | 115.3 | .1 | 1.5 |
| Railroad equipment..... | 130.2 | 130.2 | 122.5 | 0 | 6.3 |
| Miscellaneous products..... | 115.0 | 115.0 | 113.1 | 0 | 1.7 |
| Toys, sporting goods, small arms, ammunition..... | 115.0 | 114.9 | 112.8 | .1 | 2.0 |
| Tobacco products..... | 117.5 | 117.5 | 116.8 | 0 | .6 |
| Notions..... | 112.9 | 112.9 | 111.7 | 0 | 1.1 |
| Photographic equipment and supplies..... | 107.0 | 107.0 | 106.5 | 0 | .5 |
| Other miscellaneous products..... | 116.9 | 116.9 | 112.9 | 0 | 3.5 |

WHOLESALE PRICE INDEX 1963-1972
 ALL COMMODITIES INDEX AND ITS RATE OF CHANGE (1967=100)

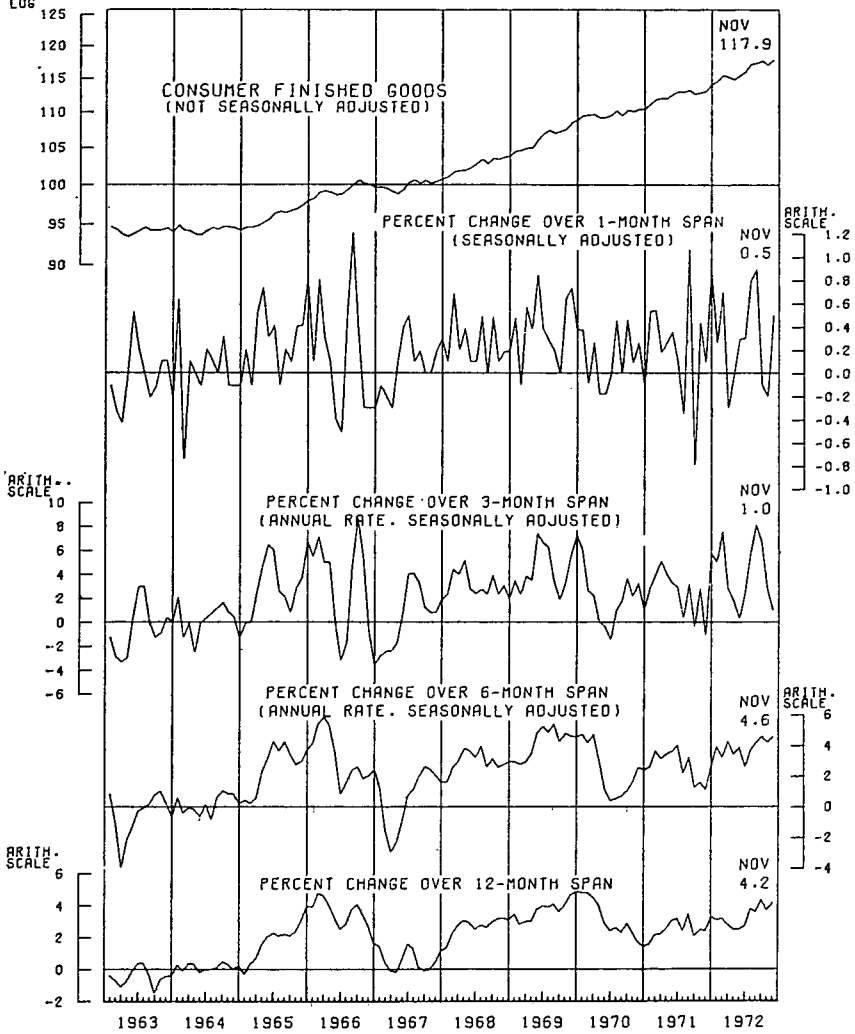


WHOLESALE PRICE INDEX 1963-1972
 INDUSTRIALS INDEX AND ITS RATE OF CHANGE (1967=100)



WHOLESALE PRICE INDEX 1963-1972

SEMI-LOG CONSUMER FINISHED GOODS AND ITS RATE OF CHANGE (1967=100)



MEASURES OF PRICE, WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE ECONOMIC STABILIZATION PROGRAM

1. SUMMARY

[Seasonally adjusted percent change, compound annual rate]

| | 1969 | 1970 | 1971 prior to Phase I | Phase I | Phase II to October 1972 | Phases I and II to October 1972 |
|---|------|------|-----------------------------|---------|--------------------------------|--|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Consumer Price Index: All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.5 | 3.2 |
| Wholesale Price Index: Industrial commodities..... | 3.9 | 3.6 | 4.7 | - .5 | ¹ 3.7 | ¹ 2.8 |
| Hourly earnings, private nonfarm pro- duction workers: | | | | | | |
| In current dollars..... | 6.5 | 6.8 | 7.1 | 3.1 | ¹ 6.6 | ¹ 5.9 |
| In constant dollars..... | .4 | 1.2 | 3.2 | 1.1 | 3.4 | 2.9 |
| Productivity and costs, private nonfarm (quarterly): | | | | | | |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 5.5 | 4.8 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.0 | 1.2 |

¹ Data through November 1972.:

2. MONTHLY SERIES

[Seasonally-adjusted percent change, compound annual rate]

| | 12 mos., December 1968 to December 1969 | 12 mos., December 1969 to December 1970 | 8 mos., prior to Phase I, December 1970 to August 1971 | 3 mos., Phase I, August to November 1971 | 11 mos., Phase II, November 1971 to October 1972 | 14 mos., Phases I and II, August 1971 to October 1972 |
|---|---|---|--|--|---|---|
| Consumer Price Index: | | | | | | |
| All items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.5 | 3.2 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 4.7 | 4.0 |
| Commodities less food..... | 4.5 | 4.8 | 2.9 | 0 | 2.6 | 2.0 |
| Services ¹ | 7.4 | 8.2 | 4.6 | 3.1 | 3.6 | 3.5 |
| Rent ¹ | 3.8 | 4.5 | 4.3 | 2.8 | 3.5 | 3.3 |
| Wholesale Price Index: | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | - .2 | ² 5.4 | ² 4.3 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | - .5 | ² 3.7 | ² 2.8 |
| Farm products, processed foods, feeds ³ | 7.5 | -1.4 | 6.5 | 1.1 | ² 10.3 | ² 8.4 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | ² 4.2 | ² 3.2 |
| Consumer foods ³ | 8.2 | -2.5 | 6.8 | .3 | ² 7.3 | ² 5.8 |
| Consumer commodities except food..... | 2.9 | 4.0 | 2.2 | - .4 | ² 2.2 | ² 1.7 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | ² 2.5 | ² 1.6 |
| Spot market price index, industrial materials ^{1,4} | 16.4 | -8.8 | - .4 | 3.1 | ² 23.1 | ² 18.8 |
| Private nonfarm production workers: | | | | | | |
| Earnings in current dollars: | | | | | | |
| Hourly ⁵ | 6.5 | 6.8 | 7.1 | 3.1 | ² 6.6 | ² 5.9 |
| Gross weekly..... | 6.2 | 4.1 | 6.9 | 5.8 | ² 6.9 | ² 6.7 |
| Spendable weekly ⁶ | 4.9 | 4.5 | 7.6 | 5.2 | ² 7.6 | ² 7.3 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁵ | .4 | 1.2 | 3.2 | 1.1 | 3.4 | 2.9 |
| Gross weekly..... | .1 | -1.3 | 3.0 | 3.8 | 4.2 | 4.1 |
| Spendable weekly ⁶ | -1.1 | - .9 | 3.7 | 3.2 | 4.7 | 4.7 |

¹ Not seasonally adjusted; data contain almost no seasonal movements.² Data through November 1972.³ Raw agricultural products are exempt from the price controls.⁴ Weekly index, not a component of Wage Price Index. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.⁵ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.⁶ Gross weekly earnings, after taxes, for worker with 3 dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

MEASURES OF PRICE, WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE ECONOMIC STABILIZATION PROGRAM—Continued
3. QUARTERLY SERIES
(Seasonally adjusted percent change, compound annual rate)

| | IV-1968 to IV-1969 | IV-1969 to IV-1970 | IV-1970 to II-1971 | Phase I, II-1971 to IV-1971 | Phase II, IV-1971 to III-1972 | Phases I and II, II-1971 to III-1972 |
|---|-----------------------|-----------------------|-----------------------|-----------------------------------|-------------------------------------|---|
| GNP price deflators: | | | | | | |
| Total..... | 5.3 | 5.3 | 5.1 | 2.0 | 3.0 | 2.7 |
| Private, fixed weights..... | 5.1 | 4.5 | 5.0 | 2.6 | 3.2 | 3.0 |
| Personal consumer expenditure, fixed weights..... | 5.0 | 4.3 | 4.5 | 2.4 | 2.9 | 2.7 |
| Private nonfarm: | | | | | | |
| Hourly compensation..... | 6.9 | 6.8 | 7.5 | 5.8 | 6.4 | 6.0 |
| Output per man-hour..... | -1.0 | 1.9 | 4.7 | 4.1 | 5.5 | 4.8 |
| Unit labor costs..... | 8.0 | 4.8 | 2.6 | 1.6 | 1.0 | 1.2 |
| Unit nonlabor payments..... | -6 | 6.0 | 7.2 | 1.0 | 4.1 | 3.0 |
| Price deflator..... | 4.8 | 5.2 | 4.3 | 1.4 | 2.1 | 1.8 |
| Real hourly compensation..... | 1.0 | 1.1 | 3.6 | 2.6 | 3.0 | 2.6 |
| Corporate nonfinancial: | | | | | | |
| Hourly compensation..... | 7.2 | 7.3 | 6.7 | 5.8 | 17.1 | 16.5 |
| Output per man-hour..... | 1.0 | 1.3 | 6.6 | 4.6 | 15.8 | 15.5 |
| Unit labor costs..... | 6.2 | 5.9 | 1 | 1.1 | 1.8 | 1.0 |
| Unit nonlabor costs..... | 7.9 | 10.1 | 8 | 6.0 | 1-1.3 | 12.3 |
| Unit profits..... | -20.1 | -15.2 | 42.7 | -10.5 | 19.4 | 13.3 |
| Price deflator..... | 2.8 | 4.5 | 3.8 | 1.0 | 12.0 | 11.5 |
| Real hourly compensation..... | 1.3 | 1.5 | 2.9 | 2.4 | 13.7 | 13.1 |
| Mean percentage adjustment, decisions reached during period | | | | | | |
| | 1969 | 1970 | I and II- 1971 | III and IV- 1971 | I to III- 1972 | III-1971 to III-1972 |
| Negotiated wage changes, all industries: | | | | | | |
| Wages and benefits, 1st year..... | 10.9 | 13.1 | 10.9 | 14.6 | 28.5 | 212.5 |
| Wages, 1st year..... | 9.2 | 11.9 | 10.2 | 12.9 | 27.2 | 210.7 |

¹ Data through 2d quarter.

² Preliminary.

THE PACE OF THE CURRENT ECONOMIC EXPANSION

| | Latest month or quarter 1972 | Months after business cycle trough | Current expansion (from November 1970) | Median of 4 previous expansions | Percent change from previous business peak to corresponding month after trough ¹ | | | |
|---|------------------------------|------------------------------------|--|---------------------------------|---|---------|---------|---------|
| | | | | | Previous expansions | | | |
| | | | | | 1961-63 | 1958-60 | 1954-56 | 1949-51 |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Unemployment rate: | | | | | | | | |
| (a) Level..... | November..... | 24 | 5.2 | 4.6 | 5.9 | 5.2 | 4.1 | 3.5 |
| (b) Change from peak..... | do..... | 24 | +1.7 | 0.9 | +8 | +1.0 | +1.5 | -3 |
| Civilian labor force..... | do..... | 24 | 6.4 | 3.0 | 2.2 | 3.8 | 5.9 | 2.2 |
| Civilian employment, household survey..... | do..... | 24 | 4.7 | 2.4 | 1.5 | 2.2 | 4.2 | 2.7 |
| Nonfarm employment, establishment survey..... | do..... | 24 | 4.2 | 3.6 | 3.1 | 3.1 | 4.1 | 6.0 |
| GNP, constant dollars..... | 3d quarter..... | 21 | 9.8 | 8.8 | 9.9 | 7.7 | 7.0 | 18.3 |
| Industrial production..... | October..... | 23 | 5.8 | 9.0 | 9.9 | 8.0 | 2.1 | 17.4 |
| Personal consumption expenditures, in constant dollars..... | 3d quarter..... | 21 | 12.0 | 8.8 | 8.5 | 8.5 | 11.5 | 9.0 |
| Retail sales, constant dollars..... | October..... | 23 | 16.9 | 7.6 | 8.2 | 5.0 | 12.2 | 7.1 |
| Housing starts..... | do..... | 23 | 83.5 | -2.2 | 2 | -5.4 | -4.5 | 21.2 |
| Leading indicator index..... | do..... | 23 | 25.7 | 18.0 | 16.1 | 15.9 | 22.6 | 20.0 |
| Output per man-hour, private nonfarm..... | 3d quarter..... | 21 | 10.6 | 8.8 | 10.2 | 7.4 | 6.1 | 13.1 |
| Consumer Price Index, rate of change (6-month span): | | | | | | | | |
| (a) Level..... | October..... | 23 | 3.7 | 1.2 | 1.4 | 1.1 | 3.5 | 1.1 |
| (b) Change from peak..... | do..... | 23 | -2.2 | -2 | -1 | 2.7 | +2.3 | - |

¹ The dates of the previous business cycle peaks, designated by the National Bureau of Economic Research, Inc., are: November 1969, May 1960, July 1957, July 1953, and November 1948. The business cycle through dates are: November 1970, February 1961, April 1958, August 1954 and October 1949.

Source: Bureau of Labor Statistics, December 1972, based on data supplied by the Bureau of Economic Analysis, U.S. Department of Commerce.

Mr. MOORE. Turning first to the employment situation, as you noted, the unemployment rate dropped to 5.2 percent in November, down from 5½ percent in both October and September.

On the other hand, total employment remained substantially unchanged at 82.5 million. The figure for total employment has been rising fairly steadily, but didn't change appreciably in November. It is now 2.2 million above November a year ago, and about 3 million above August of 1971, when the President's economic stabilization program began.

The payroll employment statistics which we also publish each month show an increase. They relate to nonfarm employment only, and they come from establishments rather than from households, which report on unemployment. That figure shows an increase of about 200,000 between October and November.

The changes in the unemployment rates that we have for different groups in the labor force show quite a general decline in November.

One of the important rates, I believe, is that for household heads, which dropped from 3.4 percent to 2.9 percent. That includes both women and men who are heads of household.

The rate for white workers was down to 4.6 percent. The rate for Negroes, which has run almost double the white rate for a good long while, was 9.8 percent in November.

Chairman PROXMIRE. Do you regard that as a significant change in view of the smaller sample of black workers?

Mr. MOORE. No. In the case of the black rate, which 9.8 percent, although it is lower than the figure for October, which is 10.1, it is not a statistically significant decline.

Chairman PROXMIRE. Is it fair to say that there was no significant change in the black rate of unemployment?

Mr. MOORE. That is our position; yes, sir.

The rate for full-time workers declined, and for part-time workers remained about the same as in October.

Among the different labor market groups by occupation, I think it is useful to note that the rate for professional and technical workers, which has been fairly high in the last year or so, dropped to 2.1 percent in October and in November. And for blue-collar workers, the rate is now 5.8 percent. That did not decline much over the month, but it has been going down at quite a rapid rate over the past year or year and a half.

The average length of unemployment—that is, how long the currently unemployed have remained unemployed—is an important statistic. It bears on the seriousness of the situation. It is now down to 11.3 weeks after remaining in the vicinity of 12 to 12½ weeks for year or so.

Also, the percentage of the unemployed who have actually lost a job, as compared with those who are unemployed because they are newly entered in the labor force, or because they voluntarily left their jobs, that percentage of job losers declined to 42 percent this month.

So somewhat over 40 percent of the total unemployment now consists of people who have had a job and lost it and are seeking another job.

The unemployment rate for veterans was 6.2 percent in November. It has been approximately the same as the rate for nonveterans of

the same age group in the past couple of months, and that was true this month as well. It is just slightly lower for veterans than for nonveterans in both of the last 2 months.

The payroll statistics, which give us a lot of information on employment in different industries, show that the employment gain was widespread among service-producing industries and in manufacturing.

The workweek for all workers on private nonfarm payrolls declined two-tenths of an hour in November. Part of that is due to the weather situation affecting contract construction. The workweek for manufacturing, which on the whole is a more sensitive indicator than the workweek for the whole employed population, rose two-tenths of an hour to 40.9 hours. And that is about as high as it got in the 1968 and 1969 period when employment in manufacturing was at a high level also.

The average hourly earnings figures in November were substantially unchanged from the October level. That is true both of the raw figures in dollars per hour and the Hourly Earnings Index, which adjusts the earnings for overtime in manufacturing and for changes in the mix of employment from one industry to another.

Turning to the price situation briefly, the Wholesale Price Index as a whole rose six-tenths of a percent both before and after seasonal adjustment in November.

The industrial commodities component increased four-tenths of a percent after seasonal adjustment. So the larger rise in the total index was due to the farm products and processed foods, which advanced 1.4 percent.

Consumer finished goods as a whole, which is only a portion of the total Wholesale Price Index, rose a half of 1 percent on a seasonally adjusted basis in November.

The table that I asked to put in the record compares the behavior of the Consumer Price Index, the Wholesale Price Index, hourly earnings, and some other measures of cost and productivity, both before and during the economic stabilization program. The latest figure we now have for the Industrial Commodities Index for the whole of phase II—that is, since November of 1971—shows an annual average rate of increase of 3.7 percent, and for the whole of the stabilization program it is 2.9 percent.

For the Consumer Price Index, which we only have through October, the corresponding figures are 3.5 percent for phase II, and 3.2 percent for the whole stabilization program.

Hourly earnings as measured by the Hourly Earnings Index went up at an annual rate of 6.6 percent during phase II, which is substantially faster than the rise in prices, and at a rate of 5.9 percent during the whole of the stabilization program, which is also substantially faster, about twice as fast, as the rate of increase in the Consumer Price Index.

The table on the pace of current expansion is one that I have been compiling for a number of months. It shows the state of a number of economic indicators, either in the 24th month of the current expansion, which is November, or the 23d month, where we do not have November figures, or the 21st month where we have only quarterly figures for the third quarter.

In this table we compare the changes in these indicators with changes at the same stage of the earlier expansions in the postwar period, each of them being compared with the peak levels reached prior to the recession that preceded these expansions.

In the case of the employment figures, which are new today, the figures show a much better rate of increase during this expansion—namely, 4.7 percent above the peak level reached toward the end of 1969—whereas in none of the other expansions at the same stage had the increase been that large. The average or median for the four previous expansions is just about half what the current increase has been; namely, 2.4 percent.

Chairman PROXMIRE. You are talking about the expansion in jobs?

Mr. MOORE. This is the expansion in employment.

The labor force has risen even more rapidly than employment, and far more rapidly than the average of previous expansions. The rate this time over this period is 6.4 percent, as compared with 3 percent, the average of the previous expansions.

As a result of that, the unemployment rate is a little higher than the average at the same stage of the previous expansion, 5.2 percent compared with 4.6, which is the average of the preceding four expansions. However, it is lower than the rate at the same stage of the 1961-63 expansion, where it was 5.9 percent at this time, and the same as the rate in the 1958 to 1960 expansion, where it was 5.2 percent.

The other figures in the table refer to GNP in real dollars, personal consumption expenditures, industrial production, retail sales, and so on. And most of them, with the exception of the Industrial Production Index, show a more favorable rise in activity in this expansion than in most of the earlier episodes.

That is particularly true of retail sales, housing starts, and personal consumption expenditures.

I think it underlies the fact that this expansion is very much consumer oriented. The consumer has come through, it seems to me, in very fine fashion in supporting the rise in economic activity that has been underway now for some 24 months.

That concludes my statement, Mr. Chairman.

Chairman PROXMIRE. Thank you very much, Mr. Moore.

Mr. Moore, we have been admonished, as I indicated in my opening statement, to look at the doughnut and not just at the hole, look at the employment and not just at the unemployment.

You and I have already pointed out that total employment did not increase at all in the last month. And you have properly pointed out that over the last year it has been increased very sharply, 2 million, as you say, since August of 1971.

What about the year ahead? Based on your knowledge of business cycles, and based on the general outlook, what growth of employment would you expect?

I am not asking again for a prediction, but I am asking, on the basis of the experience we have had in the past, what the outlook would seem to be for employment growth.

Mr. MOORE. Well, I am not, as you say, going to make any prediction. I believe the Commissioner of Labor Statistics should not make public predictions as to what is going to happen. The figures that represent our measurements of what has happened we stand back of.

And I would not want to mix them up with any speculations on the future.

I will say this, however, that in looking at past business cycle expansions, one thing you find is an early increase in the workweek. That generally tends to go up before employment begins to rise. And it tends to level off before employment levels off or declines.

We have now had a substantial increase in the workweek, and in manufacturing. As I mentioned, it is back up to the levels of 1968 and 1969.

So I think it is a little unrealistic in view of past experience in expansions of this type, to expect much further increase in the workweek.

On the other hand, at the same time expansions have shown continued increases in employment. Frequently there has been a slowing down after the initial recovery, but nevertheless continued increases.

And I think as far as your question is concerned, I would simply like to let it rest at that, that past experience with business expansions shows a slowing down in the workweek, and a continued advance in employment after the initial year or two of expansion.

Chairman PROXMIRE. Mr. Moore, the Chairman of the Council of Economic Advisers just recently told the American public the administration was winning on both the employment and inflation fronts. Now you tell us the wholesale prices have risen faster since the wage-price Program than before. They were at 5.4 percent in the last year, and 4.7 percent before the freeze. I do not see how we can justify a wage-price program in which the results are of this kind. Wages have been held down pretty well. Wage costs have been stable over the last 6 months or so. By that I mean productivity has increased faster than or about at the same rate as wage rates. And this should reflect itself in a moderation of prices, especially wholesale prices.

You are an expert price analyst. Do you find that inflation has been reduced.

Mr. MOORE. I would say overall, looking at all the measures available, that the rate of inflation has been reduced. The Consumer Price Index shows this quite clearly. The gross national product deflator in its various versions shows this quite clearly. The industrial commodities component of the Wholesale Price Index shows it less clearly, but I think there has been some decline in the rate of increase there also. The total Wholesale Price Index does not show it.

Chairman PROXMIRE. Certainly what this does not show, it seems to what none of these indexes show conclusively—I don't know if you will agree with this conclusion or not—but it does not prove that the wage-price controls system has worked, because absent the wage-price control system, we still would have had underutilization of our resources, relatively high unemployment, relatively high plant vacancy capacity, and a good assumption that the price increases that we suffered during 1970—71 might have moderated without any wage-price control system.

Mr. MOORE. Let me make one remark about that—and again referring to past experience.

During business expansions, and particularly when they get to be a year or two old, pressures on the price level begin to develop, upward pressures, and also on the wage level. If you look at these past four

expansions in the postwar period that I referred to in this table, what you find is a tendency for the price indexes to begin to accelerate during the second year or so of the expansion. Now, it seems to me, since on this occasion we have had some deceleration in the rate of increase in prices as a whole, and looking at all the indexes together, that there is a difference between this expansion and the others with respect to the rate of increase in prices. One would have expected some acceleration.

Chairman PROXMIRE. The level is as high as it was in the early 1960's, where the increase in prices was so relatively very gradual, a fraction of what it is now, is that right? In the early 1960's, we had an increase of 1 or 2 percent a year, and now it is at a rate that is two or three times that.

Mr. MOORE. The rate is very much higher. But what I am talking about is the change in the rate. And in the previous expansion, when business began to rise, and employment increased, there have been upward pressures. They have been registered in most of the price indexes with rising rates of increase being registered. This time we have not had that. I think that is a difference—whether it is due to controls or not is a matter of judgment, but there is a difference.

Chairman PROXMIRE. What concerns me is this pattern that you have just alluded to in price increases. During the past year, wholesale prices have gone up 5.4 percent, consumer prices have gone up as of September 3.3 percent, and GNP deflator only 2.7 percent.

Now, those divergencies are quite puzzling to the laymen. Indeed, I am told by the staff of this committee that they are puzzling to them. Is it typical for wholesale prices to go up more than consumer prices for a period as long as 1 year? Isn't this unusual?

It is unusual, is it not?

Mr. MOORE. I will let Mr. Popkin comment on that question. I certainly have been observing it for quite a long while. But I am not sure just how unusual it is over a period of history.

Chairman PROXMIRE. The wholesale prices were quite stable in most of the decade of the 1960's.

Mr. POPKIN. It does make a difference where the rise in the Wholesale Price Index is occurring. And in the last 12 months for which we have data, it is quite clear that the crude materials and intermediate materials have contributed most to the rise in the WPI Industrials Index. And, of course, their advance has to filter through to retail. And in the process, these fluctuations get dampened down. So there is this phenomenon, and that is why, in looking at the WPI, if the increases are in crude and intermediate, it can be that the WPI can go up for some period of time at a faster rate than the CPI.

Chairman PROXMIRE. What is happening, apparently, is that the control program is working to control retail prices more than wholesale prices, which implies a squeeze on the retailer, which cannot continue indefinitely it seems to me that sometime you are going to have to have—while there is no direct immediate correlation, you would expect that this wholesale price increase means we are going to have more inflation in the future.

Mr. POPKIN. I do have a couple of figures that might be of interest on that point.

In the 12 months of phase II the wholesale price index of consumer finished goods less food went up at a rate of 2.2 percent. In the 11 months of phase II for which we have CPI data, the commodities less food component of the CPI—you can see that it is the commodities less food component that is influenced the most by the WPI, the CPI service prices are not increased 2.6 percent. So there has been some slightly greater increase at retail than at wholesale, although I would hasten to add that much of that is probably due to the fact that houses and used car prices, which are in the CPI, but not in the WPI, have gone up at a faster rate and maybe have pulled that CPI component up.

Chairman PROXMIRE. And they are going to go up more in view of the recent increase.

But let's take a look at food. I think when we get on food a lot of people say, well, after all, we are not controlling the price of food on the farm, and therefore we cannot hold the wage and price control system responsible for what happens to food prices. The fact is, however, that about two-thirds of the cost of food is not on the farm, the farmer only gets about a third of the housewife's dollar. The other two-thirds is controlled. As I understand it, the principal increase is not in the price of food to the farmer, but it is in the first stages of the processing; is that correct?

Mr. POPKIN. That has fluctuated.

Chairman PROXMIRE. But that has been where a good part of the increase has been, right?

Mr. POPKIN. Certainly the retail price index for food has changed at a slower rate, so I think that conclusion would follow. For example, throughout the year margins on different meat products between the farm and the manufacturer and the manufacturer and the consumer have changed. But in a period of rising farm prices, the increase in food prices at the manufacturing level does get dampened down too at the consumer level.

Chairman PROXMIRE. What I am getting at is, I wonder—

Mr. POPKIN. So there may have been a margin spread. I really haven't looked at it that closely.

Chairman PROXMIRE. It would be helpful if maybe before next month you could take a look at that. I think it would help a great deal. We have a number of people who argue that the system won't work unless we control the prices the farmer gets, and there are many reasons why outstanding experts, including, I think, Mr. Moore, feel that this is going to be very difficult to do, it might be wise or unwise, but very difficult and complicated. We didn't do it even in World War II as I understand it. And I am just wondering how significant that element is, and if we wouldn't, by taking a look at the margins, taking a look at where the actual increase in food prices has been, be in a better position to make a judgment on that.

Mr. POPKIN. That is possible. There is a fairly comprehensive body of data that the Department of Agriculture puts out on the relative spreads. And it was those data that I was referring to in my comment that during some periods of time there seems to be a narrowing between farm and wholesale, and in other periods of time there is a widening.

With respect to nonfood commodities, though, historically there has been a slight tendency for consumer prices to drift up a little faster than manufacturers' prices of consumer goods. And that is frequently

attributed to the fact that there are slower productivity gains in the distribution sector, and that this additional widening of gross margin is necessary for that reason.

Chairman PROXMIRE. What you are telling us is that this increase in the wholesale price index perhaps may foreshadow an increase in consumer prices later on. It has been fairly consistent now for some time. In other words, bad news in the future on the inflation front.

Mr. POPKIN. In the food area it is not clear that what has happened at wholesale with respect to—

Chairman PROXMIRE. I am talking about the overall area.

Mr. POPKIN. In the overall there would be that possibility, but it would mainly be due to food. The rate of increase of nonfood commodities at wholesale and retail is not too much different. And therefore the two, at least during phase II, have not been that out of line with past relationships as to signal an acceleration of the CPI.

Chairman PROXMIRE. I will come back to that in a minute. My time is up.

Mr. MOORE. Could I interject a couple of numbers just to clear up this point, I think, a little bit.

If you look at the commodities other than food at wholesale and at retail during the phase II period, you get 2.2 percent increase in wholesale, 2.6 percent at retail, very close together. For food it is different; namely, the increase at wholesale is 7.3 percent at an annual rate compared with 4.7 percent at retail, a very much sharper increase at wholesale than at retail. There is a difference of one month in the period, since we have the retail figures only through October, whereas we have the wholesale figures through November. But I do not believe this difference would be changed by that distinction.

Mr. POPKIN. If I could just add to that, the magnitude of price increase in food products at wholesale is usually greater than the magnitude that is finally reflected at retail. There is a dampening.

Chairman PROXMIRE. Congressman Reuss.

Representative REUSS. Thank you, Mr. Chairman.

Welcome. Commissioner Moore.

We have very interesting unemployment figures today. And of course it is heartening to those who have got a job that the overall unemployment rate is down. But it is still very significant that despite a quite large decrease in overall unemployment, the unemployment rate for the two groups worst affected by unemployment, blacks and young people, is substantially unchanged. Running a \$30 billion budget deficit, and going generally overboard fiscally—to the great disquiet of the Chairman, among others—and creating money at a rate of something like 9 percent on an annual basis, which would have horrified former Chairman Martin of the Fed, fiscal and monetary ease seems to help, as one would expect it would, the unemployment rate generally a little bit. But it does not help the young people and the Negroes. Whether that is so because young people and Negroes are less educated and less skilled than other workers, or whether it happens because there is discrimination—as there surely is against young people and Negroes, and then as an afterthought somebody glosses it over—whether they are skilled, we leave to the psychologists, but doesn't this suggest that the only way you are going to be able to crack the terrible social problem of large scale unemployment,

15.4 percent for teenagers, and 9.8 percent for Negroes, is by some sort of a public service jobs programs of sizable dimensions which will provide jobs for people that do not seem to be able to get jobs in a society where the fiscal and monetary managers have been sneaking a drink of that whiskey, or whatever it is, that they were told never to drink?

What my long question all boils down to is: Isn't it very plain that the only way we are going to get jobs for young people and for Negroes is by making them through public service job programs, that you cannot really provide for them by conventional fiscal and monetary efforts?

Mr. MOORE. Let me make two remarks about that, without getting into the policy aspects.

I really have a rule, a self-imposed rule, if you like, to avoid policy pronouncements.

But I do think that an improvement in the employment situation overall does affect young people, and also blacks. Normally that is the case. The improvement is overall, and it affects almost every group in the population, including those groups as well. So I think if there is further improvement, it is not unreasonable to expect them to participate in it.

But another thing has happened also. And this is more of a longer run trend than just in the last few months. And that is, there are much wider differences in the unemployment rates of young people and of women than of the rest of the population. There is an increase in the dispersion, if you like, among unemployment rates of different groups in the population.

Now, at least part of that is due—and certainly in the case of teenagers—to the fact that there has been a very great increase in their numbers, and particularly in the numbers that are seeking jobs, that are in the labor market. And one of the results of that great increase in the population of teenagers and in their interest in finding usually a part-time job is that the employment of those young people has increased substantially—I am talking about over a period of several years now—and also their unemployment rates have been higher. There have been more of them in the job market, and more of them getting jobs, but also more left over still seeking work.

I think in some degree, over long periods of years, there is a tendency for the two to go together, that is, when jobs are found and people become employed, young people, it encourages others to seek work. They go around seeking jobs, and are counted as unemployed, partly because the opportunities are there, and large numbers of them are actually employed.

But in any case, the fact is that there has been an increase in the dispersion among unemployment rates of different groups. And this does work in the direction you stated of making it more difficult for an overall aggregate monetary and fiscal policy to reduce the extremely high rate that blacks experience and teenagers experience.

Representative REUSS. You draw back because of your self-imposed limitation from going along with the suggestion of the Joint Economic Committee that there be instituted at once a massive public service jobs program to provide jobs for Negroes and young people, though

you do concede that good times for the average workers—or better times—have not really rubbed off on the young and the Negroes?

Mr. MOORE. Not to the same extent; yes, sir.

Representative REUSS. On a related subject, can you give us, possibly by reference to a table or other statistical material, the projected additions to the labor force in the months and years to come?

I am aware of the fact that for some years now we have had a large number of entrants 18 to 22 into the labor force, the product of the postwar baby boom, so-called.

I am also aware of the fact that just in the last week the Bureau of the Census informed us that the reproduction rate had been considerably lowered, so that 20 years from now, if you are still around as Commissioner of Labor Statistics, which I hope you are, you will have a little easier time, because there will not be as many entrants into the labor force.

But what of the immediate future? How long is this surge of new entrants going to last, and when is it going to ease up, and so forth?

Mr. MOORE. We have prepared some projections to 1975 and 1980, and they can be made available in the record if you would like.

Representative REUSS. Yes. You do not have those with you right now?

Mr. MOORE. No; we do not.

Representative REUSS. But you will include them at this point in the record?

Mr. MOORE. We would be glad to; yes.

Representative REUSS. It would be most helpful.

(The information follows:)

TOTAL LABOR FORCE, 16 YEARS OF AGE AND OVER

[In thousands]

| | Number | Average annual increases |
|----------------------------------|---------|--------------------------|
| 1968 (actual) | 82,272 | |
| 1972 (actual) ¹ | 89,000 | (1968-72) 1,599 |
| 1975 ² | 92,792 | (1968-75) 1,503 |
| 1980 ² | 100,727 | (1975-80) 1,587 |
| 1985 ² | 107,156 | (1980-85) 1,286 |

¹ Includes upward adjustment of 333(000) for 1970 census population controls. Estimated for 12 months of 1972.

² Based on "The U.S. Labor Force Projections to 1985" by Sophia Travis in the Monthly Labor Review, May 1970. These estimates are now in the process of revision, and are likely to be raised by a moderate amount.

Representative REUSS. And can you just in a nutshell tell me what those trends are?

Mr. MOORE. Let me tell you what the particular nutshell that I remember is. And Mr. Kaitz perhaps can amplify it.

What they show is that the rates of increases in the teenage work force are likely to diminish. The rapid rates of increase seem to be behind us. But the rates of increase in the age groups of, say, 25 to 34, are likely to increase. And there will be a much larger proportion of the labor force in those age groups than there is now. That is substantially the story.

Mr. Kaitz, can you go any further than that?

Representative REUSS. Particularly, has the influx of 18-year-olds ceased as of now, or do you expect it to cease in the next few years?

How close are we?

Mr. KAITZ. The influx of 18-year-olds will continue, but it will continue at a lower and more moderate pace than it has in the past.

Representative REUSS. When will it start to get more moderate?

Mr. KAITZ. I think it is proceeding at a somewhat more moderate pace now; that is, the rates of increase, than it has some years ago. The bigger increases now are in the 20- to 24-year-olds. And these bigger increases will in a few years spill over into the 25 to 30-year-olds. This is a continuation of the baby boom in the early postwar period.

Representative REUSS. That baby boom—that is the real question—that baby boom went on and on through most of the fifties; did it not?

Mr. KAITZ. Well, there was a real surge of it right after the war. And a surge of this size has not been equalled in subsequent births. The numbers were higher, but the rates of increase did not persist.

Representative REUSS. Thank you, Mr. Chairman.

Chairman PROXMIERE. Go ahead, Mr. Kaitz.

Mr. KAITZ. There is just one other thing I did want to add. I do not have the information at hand. But I think the population figures, the projections that have been made, particularly the ones for the children already born, do indicate that the blacks have been growing at a somewhat higher rate, the number of blacks, in the younger age groups. So there will be some shift, a relatively higher proportion of them. And whatever economic problems there are associated with them will have more prominence.

Representative REUSS. That certainly is significant in terms of what we were talking about before; namely, the ability of the economy, accompanied by whatever discrimination on account of age or race or anything else there is, to absorb added people.

Chairman PROXMIERE. Mr. Moore, I am concerned that this recovery has provided us really impressive recovery in unemployment, in the diminution of unemployment, compared to our record in the past.

Take the 2-year change in unemployment rates in the postwar recession. From 1949 to October 1951 there was a drop of 7.9 to 3.5 percent in unemployment. In other words, it was cut in half.

From August 1954 to August 1956, there was a drop from 6 percent to 4.1 percent, but by more than a third.

From April 1958 to April of 1960, there was a drop from 7.4 to 5.2, a cut by more than a quarter.

From February 1961 to February 1963, a drop from 6.9 to 5.9.

And this year, this time, a drop from November 1970 to November 1972, of only 5.8 to 5.2, a drop of only about 10 percent, a very feeble recovery in terms of unemployment.

There was a pattern, in each recession it seems our recovery is weaker with respect to unemployment. I am puzzled and troubled by that. And I wonder if you have any observation as to why this is the situation.

Mr. MOORE. Well, I make two observations.

One is that the decline in unemployment and the rise in employment or other measures of activity depends to some extent on the level from which it starts. If you have a high level of unemployment at the bottom of a recession, and a low level of employment at the bottom of a recession, you are likely to get both rapid increases in employment and rapid decreases in unemployment.

Chairman PROXMIRE. Now, the period more comparable with the present is the one right after the Korean war; that is, August 1954 to August 1956. The unemployment was 6 percent in August of 1954, and it went down to 4.1 percent in August of 1956. And this time it was 5.8 and it went down to only 5.2.

Mr. MOORE. The other comment I was going to make is this: that over this period of years, 20 or 30 years, we have had a change in the structure of the labor force. It is basically what I described to Mr. Reuss; namely, that teenagers and women have become much more important in the labor force. They typically have higher unemployment rates in both good times and bad. With the larger fraction of them in the labor force, the average unemployment rate for the entire labor force tends to be higher. So that that trend and change in the structure has been raising the average level of unemployment in this period.

Chairman PROXMIRE. I think you are describing the condition, which is true. But I think that if there is any explanation for it—it is just infuriating to me, because the fact is that women and teenagers now are better trained, and more highly skilled than American males were 20 years ago.

If we compare the unemployment here with the unemployment in other countries, in Britain teenagers have an unemployment at the same level of adults, around 2.5 percent for both. This is true in most other countries. It is just a matter, it seems to me, of discrimination, No. 1; inadequate training, No. 2; inability to have any kind of effective apprentice program, No. 3—just very, very feeble, unimaginative employment policies on the part of our Government.

I think you are describing a situation which we cannot differ with. The fact is that it is higher for those groups, but there is no reasonable justification for that.

Mr. MOORE. There are other factors beside the ones you mentioned. One of them is that many of the women and teenagers are looking for part-time jobs, and they are simply not so easy to find. So it is not unusual to find higher unemployment rates among people who are seeking part-time work than among those who are seeking full-time work.

Another factor is this: That although these unemployment rates for women and for teenagers are higher, which means a larger fraction of them at any given time are seeking work, it is also true that the length of time that they remain out of work is shorter. So that while it is more serious from the standpoint of the level of the rate, it is less serious from the standpoint of the length of time that they remain out of work.

Chairman PROXMIRE. Mr. Popkin, let me see if I understand your point, and also the implications of it.

Consumer commodities other than foods have advanced at about the same rate approximately at wholesale and retail. But wholesale prices of raw materials in the earlier stages of processing have been going up faster. Now, my question was, does this mean that there are large further price increases in store for prices on nonfood consumer commodities, both at wholesale and retail?

Mr. POPKIN. Well, that is difficult to say without first getting into speculation about the future. We have had a year's worth of experience during phase II, in which we saw large increases in crude and

intermediate materials, and smaller increases at the finished goods level. I am just not certain whether that represents a situation that can continue, as being a kind of an equilibrium situation, or whether it would auger an acceleration in the rate of rise for finished goods.

However, historically it has been the case that in most years, the WPI for industrial commodities has gone up at a faster rate than has the consumer finished goods component. So it is reasonable to expect that a normal situation would involve faster rises for crude intermediate products than for finished products. So, because of that, it is very difficult to say that the past rises in crude and intermediate are, say, so out of line with what has been happening to consumer finished goods that consumer finished goods prices would have to rise at a faster rate.

Mr. MOORE. Mr. Chairman, could I add to that, sir?

I think it is true historically that increases in material prices have usually come first, and in that sense have led to further increases in finished goods prices. That certainly may happen on this occasion as well. But there is one difference between this situation and earlier ones. And that is this: as you pointed out some time back, we have had a very rapid increase in productivity, not quite as rapid as the increase in wage rates, but coming fairly close to it.

As a result of that, unit labor costs have been increasing very slowly, in the neighborhood of 1 or 1½ percent. Well, that is an offset to the increase in materials cost.

Chairman PROXMIRE. In the last two quarters they have been increasing at about one-tenth of 1 percent.

Mr. MOORE. Or there was a slight decline.

Well, that is an offset to the increase in materials cost which manufacturers are faced with. It seems to me that can have a dampening effect on the prices of finished goods. That is rather different from other experiences where at this stage of an expansion we have frequently begun to have acceleration in labor costs.

Chairman PROXMIRE. That means that another element of course—that this year we are going to have a renegotiation of contracts affecting about four million workers beginning in April with the rubber workers, and the very fact that wage costs have been quite stable and prices have been going up more rapidly, it seems to me, makes it more difficult to negotiate the stable wage rates, or wage rates which would be less inflationary.

Wholesale prices have gone up 3.7 percent in the last year, which is an enormous amount. And the traditionally more stable elements of the price indices—wholesale prices have been going up 3.7 percent in the last year.

In the early sixties this index did not rise at all. Now, Mr. Lanzillotti, a member of the Price Board, said in a recent speech:

I will not be convinced that sustainable gains have been made against the inflation problem until the Wholesale Price Index shows significant reductions among industrial components.

I agree with Mr. Lanzillotti that this a key measure. It is on industrial prices that the control program ought to be most effective. This is exactly what we are trying to control.

To what do you attribute the continued rise in industrial prices? Why have they been going up the way they have? This is what we ought to zero in on, on whether control ought to be more effective.

Mr. MOORE. It has been particularly dramatic in certain commodity areas. Mr. Popkin can fill this out a bit. But one of them certainly has been lumber prices. Another has been prices of hides and leather products.

This month fuels, particularly coal, took a big jump. So over the past year a good portion of that 3.7-percent increase is attributable to some selected commodity groups among those that I mentioned.

Chairman PROXMIRE. But now we have significant price increases coming up in automobiles and steel.

As I understand it, the automobile price increase just announced will be in the December index, I presume. The steel price increase is coming along in January, it has been approved. They can put that into effect.

Does that not foreshadow further increases in the wholesale industrial—I should say the Consumer Price Index, for that matter?

Mr. MOORE. It implies increases, but not necessarily an increase in the rate of increase.

Chairman PROXMIRE. Well, those increases are significant. We have not had the increases before in those particular commodities over the past few months. Why would that not mean an increase in the rate of increase?

Mr. POPKIN. Based on our understanding of the increases that are taking place—and this is based at this point on reports in the press rather than data directly reported to BLS—we estimate that the impact of the increase in automobile prices at wholesale will be about one-tenth of 1 percent on the industrials component of the WPI, and that the increase in—

Chairman PROXMIRE. What will it be on the Consumer Price Index?

Mr. POPKIN. In December it would not really show up at all. There is a question whether the total increase would have an effect of as much as a tenth of 1 percent on the CPI.

But on the WPI it will have an effect of one-tenth of 1 percent. And the steel price increase in January that you spoke of would also have an effect of one-tenth of 1 percent.

The reason there may be some lag in the effect of auto prices on the CPI—

Chairman PROXMIRE. They are just two items by themselves which add a tenth of a percent, which is very significant, it seems to me, when you consider that they are only two parts of the overall economy.

Let me ask on another subject before I yield to Congressman Reuss again, what happened to the 300,000 people who left the labor force last month? Did they become discouraged workers?

This seems to me to be rather striking. We have a growing population, and we have had a steady increase in the work force, and all of a sudden that drops 300,000. How do you explain that?

Mr. MOORE. Well, let me make one remark on that. And Mr. Kaitz can perhaps supply some further data.

Let's go back to September instead of just October. That is shown in table A in the press release.

Chairman PROXMIRE. Table A?

Mr. MOORE. Table A. There you see the civilian labor force, what is practically the same, 87 million, as it is in November. Nevertheless, if you look at employment, there was an increase of approximately

300,000 between September and November, and a decline in unemployment of the same magnitude.

So my point is that while I do not think too much can be said about what has happened to those 300,000 people who are not in the labor force in November as compared with October, when you go back just 1 month further, you come out with the same figure.

I do not believe that our figures on discouraged workers, that is, those who are not in the labor force and not seeking work—even though they want a job—because they do not think they can find one, I don't believe they have shown any increase between these two months. In fact, I believe there was a small decline. Is that correct, Mr. Kaitz?

Mr. KAITZ. I believe that is true.

Chairman PROXMIRE. I am not completely reassured, because it seems to me in that 2-month period, on the basis of all our experience, there should have been a continued growth in the labor force. It was 87 million in September and 87 million in November of 1972. And we are just where we started in September as far as the labor force is concerned. And it may well be, I hope it isn't the case, but it may be that the remarkable and encouraging growth in employment which we enjoyed for the past year or so may be tapering off.

Congressman REUSS.

Representative REUSS. On the subject of the part-time worker unemployment rate, which is disappointingly high at 8.4 percent, have you any suggestions as to what could be done to reduce that, Mr. Moore?

What is the problem there?

Saying "too many people wanting part-time jobs for the part-time jobs available" is to merely repeat the statistical result. Why should it be that much worse, 8.4 percent, as against 5.2 percent in the overall unemployment rate?

Mr. MOORE. I believe it tends to be that way, and in fact, it has been that way for a number of months or years. There is a higher unemployment rate for those seeking part-time work as compared to full-time work simply because it is frequently difficult for, say, a student to get the hours of work that he has available to work fitted in with the hours that the employer wants to have somebody working. He has to look at a number of different places, in order to find that combination that will fit both the hours that he has available and the hours that the employer wants to have him work.

So there is more of a difficulty in fitting the hours of work of part-time workers to the needs of employers typically than is the case with a full-time worker who is available for a normal work week.

Representative REUSS. That sounds reasonable; your explanation.

At this point in the record, if you would, you might go back over the last 20 years and insert the necessary material so that we can attempt to develop whether there is a historical relationship between the two unemployment rates.

Mr. KAITZ. I wonder if I might comment on that, sir.

The part-time and full-time separation of the labor force was only possible in our data since 1963. That is when this information begins. But since that time, in terms of the numbers that have been available to us, the lowest unemployment rate reached for part-time workers

was 5.2 percent, that was toward the end of 1966, November of 1966. That was the lowest part-time rate that we have had since 1963.

Representative REUSS. The spread, then, seems to have been less unfavorable to part-time workers than it is today, the spread then was on the order of 2 percent.

Mr. KAITZ. Let me just add that the lowest full-time rate that we had was in December of 1968, and that was 2.8 percent. So it was not far from the 2-to-1 ratio at that time.

Representative REUSS. This is an interesting table. Would you insert that in the record at this point, and we understand that you cannot go back further than 1963.

Mr. KAITZ. We will insert that in the record.

Representative REUSS. That will be helpful.

Thank you very much, Mr. Chairman.

(The document follows:)

PART-TIME AND FULL-TIME UNEMPLOYMENT RATES

| | Part-time | Full-time | | Part-time | Full-time |
|------------|-----------|-----------|-----------------------------|-----------|-----------|
| 1963 | 7.3 | 5.5 | 1972 (seasonally adjusted): | | |
| 1964 | 7.2 | 4.9 | January | 8.9 | 5.4 |
| 1965 | 6.7 | 4.2 | February | 8.4 | 5.3 |
| 1966 | 6.2 | 3.5 | March | 8.7 | 5.4 |
| 1967 | 6.9 | 3.4 | April | 8.8 | 5.4 |
| 1968 | 6.5 | 3.1 | May | 8.1 | 5.6 |
| 1969 | 6.2 | 3.1 | June | 8.8 | 5.0 |
| 1970 | 7.7 | 4.5 | July | 8.2 | 5.1 |
| 1971 | 8.7 | 5.5 | August | 8.8 | 5.1 |
| | | | September | 8.6 | 5.0 |
| | | | October | 8.6 | 5.0 |
| | | | November | 8.4 | 4.6 |

Chairman PROXMIRE. I am very concerned about our failure to make any progress on black unemployment. Black unemployment is at a depression level.

In 1971 in the third quarter it was 10.1 percent. And now it is down to 9.8 percent—that is a very slight improvement—whereas white unemployment dropped from 5.5 to 4.6. On every kind of a basis it seems to me the performance here, no matter how you want to compare it, the performance is decisively better for white unemployment than for black. In view of the concern all of us have, Democrats, Republicans, the President, the Congress, business, labor, about discrimination, and in view of the progress we should be making in overcoming that discrimination, we still have this horrendous and disgraceful record of blacks being out of work approximately twice as much as whites. And we have made no progress in reducing the discrepancy between unemployment for whites and for blacks. Do you agree that this is the case, that we have not made any real progress, in fact, it seems to be deteriorating?

Mr. MOORE. Well, the ratio of black unemployment to white unemployment, that is, the ratio of the two rates, has remained approximately 2 to 1 for many years. I have a chart in front of me which shows the ratio going back to 1954. It has occasionally gotten as high as 2½ to 1, and occasionally as low as around 1.7 to 1. It has been within that range for almost 20 years.

Chairman PROXMIRE. Isn't it true that in the recovery by and large the blacks, because they are more heavily unemployed, show gain a little more than others? It is true, we don't expect them to get down perhaps right away to as low an unemployment rate as the whites,

but they should have gained somewhat more. But they haven't this time.

Mr. MOORE. That is usually the case, their rates of unemployment usually do drop faster in terms of percentage than those of whites.

Chairman PROXMIRE. I suppose one explanation might be that the recovery has been much weaker in the manufacturing sector, in the sector that does employ more blacks, and it has been stronger in the service sector where the black employment has not been as good. Is that a possibility?

Mr. MOORE. That is certainly a possibility.

There is one other point I think it is worthwhile to bring out. I tried to bring it out in an article that was published in the Washington Post a month or two ago. And that is this: If you look at the employment rates of blacks and of whites, that is, the percentage of the population of each group that is employed, what you find—and this has persisted for a good many years also—is a higher employment rate for blacks—

Chairman PROXMIRE. The reason being that, No. 1, black women of course very often are the head of their households, and they have to work in order to support their children.

Mr. MOORE. That is right.

Chairman PROXMIRE. And No. 2, their wages tend to be lower, and therefore in order to provide for a decent standard of living the husband and wife and often the children have to work at an early age. I can understand that. Nevertheless, you do have that much higher rate of unemployment.

Mr. MOORE. And furthermore, when you add in not only the unemployment to get the total labor force, but all those who say they want work, whether they are actually seeking it, whether they are discouraged, whether they are ill or not, you also find that the total job-interest of blacks, if I may use that phrase; namely, all those who are interested in the job market by expressing their views one way or another, is also higher for blacks than for whites.

Mr. KATZ. I wonder if I might add something there.

Chairman PROXMIRE. That is a very interesting comment. I wish more people would appreciate that and realize it, because there is a tendency on the part of some people to feel that there is discrimination against minorities because they are lazy. But they want work more than the majority does.

Mr. MOORE. That is exactly right.

I would be glad if you wish to put this statement in the record.

Chairman PROXMIRE. That would be very helpful.

(The statement follows:)

U.S. DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS.

REPORT 416, OCTOBER 1972, EMPLOYMENT IN PERSPECTIVE

Unemployment of black workers

Considerable discussion has been taking place in recent months concerning the definition of unemployment as it pertains to blacks, or other minority groups, or to disadvantaged groups in the community. Some have suggested that the definition now in use is too narrow and does not reflect the situation of those who have dropped out of the labor force or are underemployed in their present job. For example, a recent newspaper editorial¹ stated that the real issue "is not statistical method, but whether the government is trying to define black

¹ Washington Post, August 10, 1972.

unemployment in a realistic way and with the kind of accuracy that will enable it to mount an effective attack on the problem." Since the Bureau of Labor Statistics has a major responsibility for such statistics, this article takes a look at the definition and some of the facts the Bureau provides. An earlier version of this article, by Commissioner of Labor Statistics Geoffrey H. Moore, appeared in the *Washington Post* September 11, 1972.

Black unemployment is defined in precisely the same way as white unemployment—the number of persons without a job who have been seeking work within the past 4 weeks and are available for work. This work-seeking, availability definition has been followed in essentially this form for more than 3 decades. The last official commission to consider the matter, appointed by the late President Kennedy in 1961, specifically recommended that this type of definition be retained in the interest of objectivity and of insuring that those counted as unemployed have had some recent contact with the job market.²

Need for work, therefore, because of the difficulty of measuring it objectively, does not enter into the definition of unemployment at all. The definition does not take into account what a person is doing to find work, whether he has turned down a job offer, whether he is rich or poor, whether he is getting unemployment insurance, whether his major activity is going to school, whether he wants a full-time or part-time job, or a temporary job, whether his spouse is working, or whether he quit his job, was laid off, or never had a job before. The definition rules out those who have given up seeking a job because they believe none is to be found, or for any other reason.

However, information is collected on this last point as well as most of the others and is published by BLS. From it, one can obtain a better indication of the character and dimensions of the unemployment problem than one can get from any single number such as the unemployment rate.

A useful way to put these numbers in perspective and get a comprehensive picture is to take them as a percentage of the population of working age, persons 16 and over. (See table on page 3.) In 1971, about 56 percent of the white population aged 16 and over was employed, compared with 54 percent for Negroes and other races. This may seem like a surprisingly small difference, in view of the more commonly cited figures about the black employment situation. Yet it is a fact that, year in and year out, somewhat more than half of the population over 16, both of blacks and whites, have jobs. The percentage, which is in effect employment per capita, has as a rule been higher for blacks than for whites, but not by more than a percentage point or two, but this ratio doesn't tell the whole story.

The percentage employed part-time because of slack work or other economic reasons in 1971 was twice as great for blacks (3.4 percent) as for whites (1.7 percent), even though the percentage working part-time voluntarily was smaller for blacks (5.7) than whites (6.4). Fewer blacks whose major activity was going to school were employed (0.9 compared with 1.6 percent), and relatively more were unemployed (0.5 compared with 0.3 percent). The proportion of blacks unemployed (5.9 percent) was nearly twice as large as that of whites (3.2 percent). The latter figures differ from the official unemployment rate, which is calculated by dividing the number unemployed by the civilian labor force (employed plus unemployed) rather than by the population. In 1971 the rate was 9.9 percent for blacks, 5.4 percent for whites.

In addition, more than twice as many blacks as whites, relatively, want a job now even though they are not actively seeking one. Lack of job availability is given as a reason for not seeking work by nearly 1 percent of black workers, but by only one-third of 1 percent of white workers. Much larger percentages, about 5 percent of blacks and 2½ percent of whites, are prevented from actively seeking work because they are in school, are ill, or have family responsibilities—even though they report that they do want work.

The figures also show that a larger proportion of blacks than of whites are job-oriented: Those employed plus those seeking work (unemployed) plus those wanting a job but not actually seeking one constituted 66 percent of the black population and 62 percent of the white population. This difference may reflect the greater affluence of the white population and, also the greater prevalence among blacks of households headed by women, who therefore, work, seek work,

² President's Committee to Appraise Employment and Unemployment Statistics, *Measuring Employment and Unemployment* (Government Printing Office, 1962)—sometimes cited as the Gordon Committee report.

or want work; but the figures help dispose of the myth that blacks are less interested in jobs than whites.

Clearly, besides the unemployed, there are groups which are likely to be aided by an increase in the demand for labor, notably those who are employed part-time for economic reasons and those who want work but are not actively seeking a job because they could not find one or think none is available. On the other hand, some groups who want work now may not be particularly helped by an increase in demand for labor, that is, those who want work but are prevented from seeking or accepting a job because of ill health or family responsibilities. Better health care facilities, or day care facilities, may be the essential solution in these cases.

Hence to combine into one statistic those who are seeking work and are available for work—that is, the unemployed—with those who want work but are not available does not help to clarify the issue. The numbers would be larger, but they would be less meaningful.

A further point is that if the unemployment concept is enlarged, the relative position of blacks and whites may not be greatly changed. For example, giving smaller weight among the unemployed to those who are seeking only part-time work, and at the same time including, also at a reduced weight, those who are employed part-time for economic reasons, as the BLS does in its published measure of percent of labor force time lost, will produce a larger percentage for both blacks and whites, and in about the same proportions. The same thing is true over time: Enlarging the concept now will produce larger numbers both now and in the past as well. The percentage of labor force time lost, for example, typically has run about half a percentage point higher than the official unemployment rate month after month for the past 8 years.

A government statistical agency should take great care in making changes in concepts, so that confidence in the integrity of the data is maintained and comparisons with earlier records are facilitated. At the same time, it must be alert to the need for new series. It also has an obligation to make data available in as much detail as is consistent with accuracy—and with a full explanation of the data's uses and limitations—so that those who wish to use them in various ways can do so.

CHARACTERISTICS OF THE WORKING AND NONWORKING POPULATION, 1971

| Employment status | Number (in thousands) | | Percent of population | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | White | Negro and other races | White | Negro and other races |
| 1. Employed: Total 16 years of age and over..... | 70,716 | 8,403 | 55.7 | 53.7 |
| Major activity—going to school ¹ | 1,993 | 141 | 1.6 | .9 |
| Major activity—other..... | 68,723 | 8,262 | 54.1 | 52.8 |
| Employed full-time..... | 58,489 | 6,844 | 46.1 | 43.8 |
| Employed part-time, voluntary..... | 8,116 | 889 | 6.4 | 5.7 |
| Employed part-time, economic reasons..... | 2,119 | 529 | 1.7 | 3.4 |
| 2. Unemployed, total 16 years of age and over..... | 4,074 | 919 | 3.2 | 5.9 |
| Major activity—going to school ² | 444 | 85 | .3 | .5 |
| Major activity—other..... | 3,630 | 834 | 2.9 | 5.3 |
| Seeking full-time job..... | 3,127 | 742 | 2.5 | 4.7 |
| Seeking part-time job..... | 503 | 92 | .4 | .6 |
| 3. Civilian labor force (lines 1 and 2)..... | 74,790 | 9,322 | 58.9 | 59.6 |
| 4. Armed Forces..... | 2,499 | 318 | 2.0 | 2.0 |
| 5. Total labor force (lines 3 and 4)..... | 77,289 | 9,640 | 60.9 | 61.6 |
| 6. Not in labor force, total..... | 49,670 | 5,997 | 39.1 | 38.4 |
| Want job now, but not seeking one because..... | 3,438 | 965 | 2.7 | 6.2 |
| Could not find job or think none available..... | 394 | 145 | .3 | .9 |
| Think cannot find job, personal reasons..... | 197 | 39 | .2 | .2 |
| In school..... | 973 | 268 | .8 | 1.7 |
| Ill health, family responsibilities, other..... | 1,876 | 512 | 1.5 | 3.3 |
| Do not want job now, total..... | 46,231 | 5,028 | 36.4 | 32.3 |
| In school..... | 5,431 | 942 | 4.3 | 6.0 |
| Not in school..... | 10,800 | 4,086 | 32.1 | 26.1 |
| 7. Total noninstitutional population 16, years of age and over..... | 126,959 | 15,637 | 100.0 | 100.0 |

¹ Category limited to persons 16–21 years of age; 93 percent of whites and 90 percent of Negro and other races in this group were employed part-time, voluntarily.

² Category limited to persons 16–21 years of age; 86 percent of whites and 81 percent of Negro and other races in this group were seeking part-time jobs.

Chairman PROXMIRE. Mr. Kaitz.

Mr. KAITZ. A great deal of attention has been focused on the ratio of the black unemployment rate to the white unemployment rate. As Commissioner Moore has indicated, it has not really fluctuated very much, and it seems to have a level trend. But if you break this into components, and if you take, for example, the ratio of the unemployment rate of blacks 20 years of age and over to the unemployment rate of white 20 years of age and over, and if you do it separate for men and women, you will find for adults the ratio has been declining over a long period of time. It is the teenager who is really introducing this disability into the overall figure.

Chairman PROXMIRE. Would you break this out for the record?

Mr. KAITZ. Yes, we can.

Chairman PROXMIRE. We would appreciate that.

(The information follows:)

BLACK-1-WHITE UNEMPLOYMENT RATE COMPARISONS

| Year | Men, 20 years and older | | | Women, 20 years and older | | | Teenagers 16-19 years old | | |
|-------------------------|-------------------------|-------|-------|---------------------------|-------|-------|---------------------------|-------|-------|
| | Black | White | Ratio | Black | White | Ratio | Black | White | Ratio |
| 1954..... | 9.9 | 4.4 | 2.3 | 8.4 | 5.1 | 1.6 | 16.6 | 12.1 | 1.4 |
| 1955..... | 8.4 | 3.3 | 2.5 | 7.7 | 3.9 | 2.0 | 15.6 | 10.4 | 1.5 |
| 1956..... | 7.4 | 3.0 | 2.5 | 7.8 | 3.7 | 2.1 | 18.1 | 10.1 | 1.8 |
| 1957..... | 7.6 | 3.2 | 2.4 | 6.4 | 3.8 | 1.7 | 19.1 | 10.6 | 1.8 |
| 1958..... | 12.7 | 4.5 | 2.8 | 9.5 | 5.6 | 1.7 | 27.4 | 14.4 | 1.9 |
| 1959..... | 10.5 | 4.1 | 2.6 | 8.3 | 4.7 | 1.8 | 26.1 | 13.3 | 2.0 |
| 1960..... | 9.6 | 4.2 | 2.3 | 8.3 | 4.6 | 1.8 | 24.3 | 13.5 | 1.8 |
| 1961..... | 11.7 | 5.1 | 2.3 | 10.6 | 5.7 | 1.9 | 27.7 | 15.3 | 1.8 |
| 1962..... | 10.0 | 4.0 | 2.5 | 9.6 | 4.7 | 2.0 | 25.3 | 13.3 | 1.9 |
| 1963..... | 9.2 | 3.9 | 2.4 | 9.4 | 4.8 | 2.0 | 30.3 | 15.5 | 2.0 |
| 1964..... | 7.7 | 3.4 | 2.3 | 9.0 | 4.6 | 2.0 | 27.3 | 14.8 | 1.8 |
| 1965..... | 6.0 | 2.9 | 2.1 | 7.5 | 4.0 | 1.9 | 26.5 | 13.4 | 2.0 |
| 1966..... | 4.9 | 2.2 | 2.2 | 6.6 | 3.3 | 2.0 | 25.4 | 11.2 | 2.3 |
| 1967..... | 4.3 | 2.1 | 2.0 | 7.1 | 3.8 | 1.9 | 26.3 | 11.0 | 2.4 |
| 1968..... | 3.9 | 2.0 | 2.0 | 6.3 | 3.4 | 1.9 | 24.9 | 11.0 | 2.3 |
| 1969..... | 3.7 | 1.9 | 1.9 | 5.8 | 3.4 | 1.7 | 24.1 | 10.7 | 2.3 |
| 1970..... | 5.6 | 3.2 | 1.8 | 6.9 | 4.4 | 1.6 | 29.1 | 13.5 | 2.2 |
| 1971..... | 7.2 | 4.0 | 1.8 | 8.7 | 5.3 | 1.6 | 31.7 | 15.1 | 2.1 |
| 1972 ¹ | 6.9 | 3.7 | 1.9 | 9.0 | 5.0 | 1.8 | 33.7 | 14.3 | 2.4 |

¹ Negro and other races.

² 11 months average.

Chairman PROXMIRE. When the auto excise tax was announced more than a year ago, and the change in the exchange rates, and so forth, there was considerable feeling in the industry that the ones who would gain most by it would be the auto industry, they would provide more jobs in that industry alone. It is my understanding that very few new jobs have been provided. They resorted instead to overtime and to a longer work week for the employees. Do you have any figures on how much the automobile industry employment has risen since last August?

Mr. MOORE. Yes, I can supply those figures, Mr. Chairman. I do not have them right at hand.

Chairman PROXMIRE. And supply also, if you can, the average overtime in the industry, and how much that has gone up.

Mr. MOORE. Yes, sir.

(The information follows:)

EMPLOYMENT AND HOURS IN THE AUTOMOBILES AND PARTS INDUSTRY (SIC 371)

[Not adjusted for seasonal variation]

| | All employees (thousands) | Average weekly hours | Average weekly overtime hours | Average weekly man-hours (thousand) |
|-----------------------------|------------------------------|-------------------------|-------------------------------------|---|
| 1971: | | | | |
| August..... | 802.4 | 38.7 | 2.6 | 31,053 |
| September..... | 863.2 | 38.4 | 2.9 | 33,147 |
| October..... | 853.7 | 41.4 | 3.6 | 35,343 |
| November..... | 858.0 | 41.4 | 3.3 | 35,521 |
| December..... | 857.1 | 44.0 | 3.6 | 37,712 |
| 1972: | | | | |
| January..... | 848.1 | 40.9 | 2.2 | 34,687 |
| February..... | 847.4 | 41.6 | 3.5 | 35,252 |
| March..... | 851.6 | 42.2 | 4.0 | 35,938 |
| April..... | 858.0 | 42.8 | 4.6 | 36,722 |
| May..... | 863.1 | 43.3 | 4.9 | 37,372 |
| June..... | 864.9 | 43.3 | 4.8 | 37,450 |
| July..... | 724.9 | 42.3 | 4.3 | 30,663 |
| August..... | 856.0 | 40.2 | 4.7 | 33,607 |
| September..... | 895.6 | 43.7 | 5.9 | 39,138 |
| October..... | 904.4 | 43.3 | 5.8 | 39,161 |
| November ¹ | 506.2 | 44.4 | 6.7 | 40,235 |

¹ Preliminary.

Chairman PROXMIRE. I just have a couple or more questions.

We have had a peculiar kind of a pattern of unemployment. It has dropped rather sharply 1 month and remained at a plateau for 4 or 5 months. And in November it has shown another sharp drop. Is that experience of dropping for 1 month and then remaining in a plateau unusual, or is it not?

Mr. MOORE. I think it is a little unusual, yes, sir.

Chairman PROXMIRE. Is there any explanation for it?

Mr. MOORE. No, I do not have any. One observation about it is that if you look at different unemployment rates, that is, for different groups in the labor force, you do not find those steps very prominent. Consequently it seems to me it is sort of an accident, the way they all fitted together, that it comes out that way in the overall rate.

It would be different if you found in group after group that there was a level, and then a step down, and another level, and then another step down. But in fact you do not find that repeated in group after group. Consequently I think it is something of an accident that it happened in the overall rate level.

Chairman PROXMIRE. It is remarkable. And of course you also have these dramatic changes in employment during this period.

Any questions, Congressman Reuss?

Representative REUSS. No questions.

Chairman PROXMIRE. Thank you very much, Mr. Moore. I don't know if this will be your last appearance or not. We have not been able to make that decision. But I want to thank you very much. You are doing a very fine job when you come up. You are an outstanding professional economist. And you and your colleagues have helped this committee very much in understanding this situation. Thank you.

Mr. MOORE. Thank you.

(Whereupon, at 12:20 p.m., the committee was adjourned, to reconvene subject to the call of the Chair.)

CURRENT LABOR MARKET DEVELOPMENTS

FRIDAY, JANUARY 5, 1973

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 11 a.m., in room 1202, Dirksen Senate Office Building, Hon. William Proxmire (chairman of the committee) presiding.

Present: Senator Proxmire and Representative Reuss.

Also present: Loughlin F. McHugh, senior economist; Courtenay M. Slater, economist; Lucy A. Falcone, research economist; George D. Krumbhaar, Jr., and Walter B. Laessig, minority counsels; and Leslie J. Bander, minority economist.

OPENING STATEMENT OF CHAIRMAN PROXMIRE

Chairman PROXMIRE. The committee will come to order.

It is a pleasure, and I mean it is a pleasure, to welcome Mr. Moore once more to our hearings on employment and the price situation. I realize the wholesale price index for December will not be available for a few days, but perhaps, later on, we may want to discuss the developments as revealed by the Consumer Price Index for November.

On the employment front, I must confess I do not find much consolation in the unemployment statistics. When we consider the fast pace at which the overall economy is apparently growing at the present time, I find the reduction of unemployment which has occurred in recent months to be pitifully small. With more than 4½ million persons still out of work in the final quarter of the year, there are still 1 million more workers without jobs than we should have if we were on target for the interim goal this committee feels should be achieved in a growing, healthy economy. I hope, Mr. Moore, that you will be able to present us with some evidence that these aggregate figures perhaps conceal encouraging signs of a near-term rapid reduction in unemployment.

Mr. Moore, I want to take this occasion to express the gratitude of this committee for your fine cooperation in your month-after-month appearance before the committee to discuss with us current labor market developments. I think this is the 22d consecutive appearance over 22 months that you have appeared before this committee to explain the change in unemployment statistics as well as other figures and I think this has been most enlightening. You have made a fine record, it has been very helpful to this Senator, greatly improved my understanding of the unemployment figures and, I think, the committee and of the country as a whole.

Needless to say, we have not always seen eye-to-eye on developments during your tenure as Commissioner, particularly the elimination of the monthly press conference dealing with the employment situation. But this in no way hindered your performance in giving us the benefit of your objective, fine professional analysis. As you know, I was extremely disturbed when I heard you were asked to resign from your position and I want to say that that concern on my part is widely shared. In the years I have been on this committee, and I have been on this committee for 12 or 13 years, I cannot recall any replacement of an economic official which has been more widely deplored by the economic community than in your case. I think it is a great tribute to you. I am not asking you for any commentary on the developments surrounding your resignation. I realize that might put you in an awkward position. However, I do feel compelled to stress that this situation should not, and must not, be allowed to happen again.

It has been my understanding that your title—Commissioner—was bestowed on the position you occupy for the very purpose of insulting you from the political whimsy of a newly elected President. I understood the term of Commissioner was for 4 years from the date of taking office.

Now that a precedent is established, it will be very difficult to insure that we shall have high-caliber, professional men willing to accept the commissionership. And because it is so important that persons of your stature, of your honesty and your competence should be willing to take on this highly technical work, I intend to do what I can to see that the Commissioner of Labor Statistics be once again placed above politics.

Mr. Moore, introduce once again for the record, the gentlemen at the table with you and proceed as you see fit.

STATEMENT OF HON. GEOFFREY H. MOORE, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR; ACCOMPANIED BY HYMAN KAITZ, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS; JOEL POPKIN, ASSISTANT COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND NORMAN SAMUELS, ASSISTANT COMMISSIONER FOR WAGES AND INDUSTRIAL RELATIONS

Mr. MOORE. Thank you very much, Mr. Chairman.

I have with me Mr. Hyman Kaitz, Assistant Commissioner for Current Employment Analysis; Mr. Joel Popkin, Assistant Commissioner for Prices and Living Conditions; and Mr. Norman Samuels, who is Assistant Commissioner for Wages and Industrial Relations.

Mr. Chairman, I greatly appreciate the expression you just made with respect to me personally. I would like to say this. Without the staff of the Bureau of Labor Statistics that I have had to support me in my practically 4 years in office, I certainly would not have been able to appear here and to give you the kind of presentations, data, and analysis that we have been able to do. I have had simply excellent support from the entire staff of BLS. They have met deadlines with

virtually no exception, and they have given me objective, carefully thought-out advice on many, many topics. I have benefited greatly, and I feel I am leaving the job as Commissioner much better educated than when I came in.

Chairman PROXMIER. Before you start off, I would like to say, Mr. Commissioner, too, that somehow I seem to have a fatal touch when it comes to witnesses before this committee. You know what happened to Ernest Fitzgerald and Gordon Rule and now it happens to you. [Laughter.]

It is strange in this situation because I do not know anybody who has been more loyal, I mean that in a good sense, never distorted any figure; you have never, never given any interpretation which by the remotest, to the remotest, extent could be considered critical of the administration, I do not mean to be saying you should have given that because that is not your function, but you have been extraordinarily fair. It may be that I have just been too warm in my commendation in the past. It is like President Johnson used to say when he was majority leader, "I will go into your State and I will give a speech for you or against you, whichever will do the most good," and I think I should have denounced you in ringing terms when you were up here and we might have had a different situation.

Mr. MOORE. Thank you very much.

The employment and unemployment figures that we released today show that the unemployment rate remained at the same level it reached last month; namely, 5.2 percent, which is down about eight-tenths of a percentage point from a year ago when it was 6 percent.

Employment during the month of December rose from the November level by nearly 300,000, and it now stands at a little less than \$3 million on a seasonally adjusted basis. This represents a substantial expansion during the past year and a half. During the past year alone employment has expanded by nearly 2½ million jobs.

The figures on employment; as obtained from payroll records submitted to us from employers, show virtually no change in December, but they, too, have been increasing during the past year and a half, and are up substantially above a year ago.

The unemployment rates for various groups in the population show relatively little change between November and December. One of the most important of these, I think, because it represents in large part people who both need a job and are seriously looking for one, is the rate for household heads—both men and women. In December it was 2.9 percent, the same as it was in November.

Among categories of the unemployed, grouped by the kind of occupation they were engaged in before they became unemployed, the rate for white-collar workers went up in December to 3.4 percent. It is higher than it was in November, but still a little under where it was in October, when it was 3.6 percent.

Among blue-collar workers, the jobless rate at 5.7 percent in December was about the same as in November, but about 2 percentage points below the year-ago level.

I would like to mention particularly the average duration of unemployment, which is now 11.2 weeks. That is one dimension of unemployment that gets relatively little attention but, it seems to me, it is very important to know how long, on the average, the people remain unemployed, and we have this measure of it every month.

I think it is beginning to become evident in the figures on the duration of unemployment that a downtrend is underway. That inference is supported by the fact that the number of people who have been unemployed a relatively long time, say, 15 weeks or more, has been moving downward fairly steadily, and is now at its lowest level in the past 2 years.

The people who became unemployed through losing their jobs accounted for a little over two-fifths of the total unemployed in December. The others, of course, are those who quit their jobs or are entering the labor force for the first time—young people looking for jobs after getting out of school—and other people who are entering or reentering the labor force.

So about 40 percent of the total unemployed lost their jobs. The job loser rate, which is the percentage of the labor force who are unemployed after having lost their job was 2.2 percent in December. That is lower than it has been in some time past.

The advance in employment over the past year has been widespread among different demographic groups. New jobs for adult men accounted for about half of the total advance in employment of nearly 2½ million, and adult women and teenagers accounted for the remaining jobs. About 640,000 of the increase was for adult women, and a half million for teenagers.

The employment situation for veterans 20 to 29 years old showed an improvement in December. The jobless rate was 5½ percent, and that represents a fairly steady improvement over the year, and particularly an improvement relative to the rates for nonveterans in the same age group. At the present time, that is in December, the unemployment rate for veterans is a full percentage point below the unemployment rate for nonveterans of the same ages.

In the data on payroll employment, where we have detailed breakdowns by industry, although the overall total showed virtually no change in December, some industries showed improvements, others declines. There were good gains in the durable manufacturing enterprises, in services, and in State and local government employment, and reductions in contract construction where unusually bad weather, we find, helped to explain the decline, and there was some decline in retail trade.

The average workweek overall remained the same in December as in November after seasonal adjustment. In manufacturing, which is where the workweek is a more sensitive indicator of the ease or tightness of the labor market, the weekly hours were about unchanged. They went up one-tenth of an hour from November, and have now recovered just about all of the decline that they experienced a couple of years ago.

Hourly earnings on a seasonally adjusted basis show a small increase, and are now about 6 percent above a year ago.

The hourly earnings index, which allows for changes in overtime in manufacturing and for changes in the mix of employment among different industries, so that it is a better index of what is happening to wage rates, went up nine-tenths of a percent in December, and now stands 6.2 percent above a year ago.

Hourly earnings have clearly advanced more rapidly over the year than the Consumer Price Index, which has gone up about three and a half percent—November 1971–November 1972.

I should like to put in the record, Mr. Chairman, if you will, not only the employment situation release but also a table of measures of price, wage, and productivity changes.

Chairman PROXMIRE. Without objection, both the release and that table will be printed in the record at this point.

(The release and table referred to follow:)

[Bureau of Labor Statistics, Department of Labor, Press Release No. 73-862, Jan. 5, 1973]

THE EMPLOYMENT SITUATION: DECEMBER 1972

Total employment rose in December and unemployment was unchanged, the U.S. Department of Labor's Bureau of Labor Statistics announced today. The Nation's unemployment rate was 5.2 percent, the same as the 27-month low registered in November and down from 6.0 percent a year ago.

Total employment increased by 280,000 to 82.8 million in December (seasonally adjusted), continuing the strong upward trend in evidence since mid-1971. Over the past year, employment has expanded by 2.4 million.

The number of nonagricultural payroll jobs was unchanged in December but was up substantially from a year ago.

Unemployment

Total joblessness declined in line with usual November-December movements, and, after seasonal adjustment, both the level and rate of unemployment were unchanged, at 4.5 million and 5.2 percent, respectively. However, the number of persons unemployed has decreased by 600,000 from December a year ago.

Unemployment rates for all of the major demographic groups—adult men (3.4 percent), adult women (5.1 percent), teenagers (16.0 percent), whites (4.6 percent), Negroes (9.6 percent), married men (2.4 percent), and household heads (2.9 percent)—were either unchanged or little changed from November. Jobless rates also remained about the same over the month for full- and part-time workers. With the exception of part-time jobseekers, rates for each of these groups have declined during the course of 1972.

Among the major occupational categories, the white-collar unemployment rate, which had fallen sharply in November, rose from 3.1 to 3.4 percent in December. This increase occurred among professional and technical and clerical workers and was partially offset by a decline among managers and administrators. Although the jobless rate for blue-collar workers (5.7 percent) was about the same as in the previous month, it was down nearly 2 percentage points since December 1971.

There was essentially no change in the unemployment rates of the major industry groups in December. Of particular note, the rate for factory workers remained at a 2½-year low of 4.7 percent, more than 2 percentage points below the year-ago level.

For workers covered by State unemployment insurance programs, the jobless rate, at 3.2 percent, edged up from the 32-month low registered in November.

The average (mean) duration of unemployment, at 11.2 weeks in December (seasonally adjusted), was essentially unchanged at its lowest level since April 1971. The number of long-term unemployment (15 weeks and over) edged down for the fourth straight month to 1 million, the lowest level in 2 years.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

| Selected categories | De- cember 1972 | No- vember 1972 | Octo- ber 1972 | 4th Quarter 1972 | 3d Quarter 1972 | 2d Quarter 1972 | 1st Quarter 1972 | 4th Quarter 1971 |
|--|-----------------------|-----------------------|----------------------|------------------------|-----------------------|-----------------------|------------------------|------------------------|
| MILLIONS OF PERSONS | | | | | | | | |
| Civilian labor force ¹ | 87.3 | 87.0 | 87.3 | 87.2 | 86.8 | 86.4 | 85.9 | 85.0 |
| Total employment ¹ | 82.8 | 82.5 | 82.5 | 82.6 | 82.0 | 81.4 | 80.8 | 80.0 |
| Adult men..... | 47.5 | 47.3 | 47.3 | 47.3 | 47.1 | 46.7 | 46.4 | 46.1 |
| Adult women..... | 28.4 | 28.3 | 28.3 | 28.3 | 28.2 | 27.9 | 27.9 | 27.5 |
| Teenagers..... | 7.0 | 6.9 | 6.9 | 6.9 | 6.6 | 6.8 | 6.6 | 6.3 |
| Unemployment..... | 4.5 | 4.5 | 4.8 | 4.6 | 4.8 | 5.0 | 5.0 | 5.0 |
| PERCENT OF LABOR FORCE | | | | | | | | |
| Unemployment rates: | | | | | | | | |
| All workers..... | 5.2 | 5.2 | 5.5 | 5.3 | 5.6 | 5.7 | 5.8 | 5.9 |
| Adult men..... | 3.4 | 3.6 | 3.9 | 3.6 | 3.9 | 4.2 | 4.1 | 4.3 |
| Adult women..... | 5.1 | 5.0 | 5.5 | 5.2 | 5.6 | 5.6 | 5.3 | 5.7 |
| Teenagers..... | 16.0 | 15.4 | 15.3 | 15.6 | 16.1 | 15.8 | 18.2 | 16.9 |
| White..... | 4.6 | 4.6 | 5.0 | 4.7 | 5.0 | 5.3 | 5.3 | 5.4 |
| Negro and other races..... | 9.6 | 9.8 | 10.1 | 9.8 | 9.9 | 9.9 | 10.6 | 10.1 |
| Household heads..... | 2.9 | 2.9 | 3.4 | 3.1 | 3.3 | 3.5 | 3.4 | 3.6 |
| Married men..... | 2.4 | 2.4 | 2.8 | 2.6 | 2.7 | 2.9 | 2.9 | 3.2 |
| Full-time workers..... | 4.7 | 4.6 | 5.0 | 4.8 | 5.1 | 5.3 | 5.4 | 5.6 |
| State insured ² | 3.2 | 3.1 | 3.3 | 3.2 | 3.5 | 3.6 | 3.5 | 4.2 |
| WEEKS | | | | | | | | |
| Average duration of unemployment..... | 11.2 | 11.3 | 11.6 | 11.4 | 12.0 | 12.8 | 12.2 | 11.9 |
| MILLIONS OF PERSONS | | | | | | | | |
| Nonfarm payroll employment..... | 3 73.9 | 3 73.9 | 73.6 | 3 73.8 | 72.9 | 72.5 | 71.8 | 71.1 |
| Goods-producing industries..... | 3 23.4 | 3 23.5 | 23.4 | 3 23.4 | 23.1 | 23.0 | 22.7 | 22.6 |
| Service-producing industries..... | 3 50.5 | 3 50.4 | 50.2 | 3 50.4 | 49.9 | 49.5 | 49.0 | 48.5 |
| HOURS OF WORK | | | | | | | | |
| Average weekly hours: | | | | | | | | |
| Total private nonfarm..... | 3 37.2 | 3 37.2 | 37.3 | 3 37.2 | 37.2 | 37.1 | 37.1 | 37.1 |
| Manufacturing..... | 3 41.0 | 3 40.9 | 40.7 | 3 40.9 | 40.7 | 40.7 | 40.3 | 40.1 |
| Manufacturing overtime..... | 3 3.8 | 3 3.8 | 3.6 | 3 3.7 | 3.5 | 3.4 | 3.1 | 3.0 |
| 1967 EQUALS 100 | | | | | | | | |
| Hourly earnings index, private nonfarm: | | | | | | | | |
| In current dollars..... | 3 141.9 | 3 140.7 | 140.5 | 3 141.0 | 138.5 | 136.8 | 135.0 | 132.4 |
| In constant dollars..... | (*) | 3 110.8 | 111.0 | (*) | 110.2 | 109.8 | 109.0 | 107.9 |

¹ Civilian labor force and total employment figures for periods prior to January 1972 should be raised by about 300,000 to be comparable with subsequent data. See box above table A-1.

² For calculation of this rate, see table A-3, footnote 2.

³ Preliminary.

⁴ Not available.

Source: Tables A-1, A-3, A-4, B-1, B-2, and B-4.

Persons who lost their last jobs continued to account for a little over two-fifths of the total unemployed in December. Over the year, however, the number of job losers declined by 425,000 to 1.9 million. (See table A-5.)

Civilian labor force and total employment

The civilian labor force increased by 300,000 in December, reaching a level of 87.3 million. Over the year, the labor force has risen by 1.8 million (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972).

Total employment advanced by 280,000 in December to a seasonally-adjusted level of \$2.8 million. The entire increase occurred among full-time workers, with adult men and women accounting for nearly all of the gain. Compared with December a year ago, total employment has risen by 2.4 million; adult men made up a little over half of this advance, with adult women and teenagers accounting for 640,000 and 500,000, respectively.

The number of nonagricultural workers on part-time schedules for economic reasons (those who want full-time work but have either been able to find only a part-time job or have had their workweek reduced because of economic factors affecting their jobs) declined 100,000 to 2.2 million in December. Their level was

down substantially from the 10-year high of 2.6 million reached in November 1971 and was at its lowest point since September 1970.

Vietnam era veterans

The employment situation for veterans 20-to-29 years old continued to improve in December. At 5.5 percent, their jobless rate was below the 6-percent level for the first time in nearly 3 years. (See table A-7.)

The gap between the unemployment rates for veterans and nonveterans closed decisively during the last few months of 1972. A year earlier, the veterans' rate was appreciably higher than that of nonveterans. By December 1972, the situation was reversed, with the veterans' rate a full percentage point below the non-veteran rate of 6.5 percent. This elimination of the gap also underscores the fact that the veterans' unemployment rate has declined far more sharply over the past year—2.9 versus 1.2 percentage points for nonveterans.

In December 1972, 4.1 million veterans 20-to-29 years old were employed and 230,000 were unemployed (not seasonally adjusted). Veterans' employment increased by 440,000 since December 1971, absorbing all of the increase in the labor force and reducing the number unemployed by 90,000. The age composition of the 20-29 year-old veterans has been changing, with a greater proportion now in age 25-29. This reflects both the considerable slowdown in discharges of young men from military service in 1972 and the growing number who have been out of the service for several years.

Industry payroll employment

The number of nonagricultural payroll jobs was virtually unchanged in December from the revised November level of 73.9 million (seasonally adjusted). However, payroll employment was up 2.6 million from December 1971.

Although the payroll job total did not change in December, some industries showed marked movements. Over-the-month employment gains in durable goods manufacturing (almost all of which occurred in machinery and electrical equipment), services, and State and local government were offset by reductions in contract construction and retail trade. The decline in contract construction (\$5,000) was due in part to unusually bad weather conditions prevailing in many parts of the country. Employment in retail trade rose less than seasonally expected over the month and, after seasonal adjustment, was down by 35,000. It is noteworthy, however, that employment in this sector had increased markedly in November, an indication of earlier-than-usual hiring for the holiday buying season.

Hours of work

The average workweek for rank-and-file workers rose by 0.3 hour, but this was in line with the usual November-December movement. After adjustment for seasonality, the workweek was unchanged at 37.2 hours. For the second month in a row, weekly hours in contract construction were down sharply, a development that also stemmed from bad weather conditions.

In manufacturing, weekly hours were about unchanged from the previous month but, at 41.0 hours (seasonally adjusted), were at their highest level in more than 4 years. Compared with December 1971, factory hours have increased by 0.8 hour. Overtime hours in manufacturing were unchanged over the month at 3.8 hours but were also up 0.8 hour from a year ago.

Hourly and weekly earnings

Average hourly earnings of production or nonsupervisory personnel on non-farm payrolls were \$3.73 in December, the same level as in November. This was an increase of 21 cents, or 6.0 percent, from a year ago.

Because of an increase in the actual workweek, average weekly earnings rose by \$1.12 to \$139.50. After seasonal adjustment, the increase was considerably less—37 cents. Compared with December a year ago, average weekly earnings have risen \$8.20 or 6.2 percent. During the latest 12-month period for which the Consumer Price Index is available—November 1971 to November 1972—consumer prices rose 3.5 percent.

Hourly earnings index

The Bureau's Hourly Earnings Index, seasonally adjusted, was 141.9 (1967=100) in December, 0.9 percent higher than in November, according to preliminary figures. The index was 6.2 percent above December a year ago. (See table B-4.) All industries posted increases in 1972, ranging from 5.0 percent in wholesale and

retail trade to 9.6 percent in transportation and public utilities. During the 12-month period ending in November, the Hourly Earnings Index in dollars of constant purchasing power rose 3.1 percent.

THE YEAR IN REVIEW

The Nation's employment situation during 1972 was highlighted by strong labor force and employment gains and a moderate decline in unemployment. The overall jobless rate, which had hovered close to the 6-percent mark during 1971, declined gradually during 1972 and at yearend stood at 5.2 percent. The following sections describe developments in the employment situation during the course of 1972, with special emphasis on quarterly movements.

Civilian labor force and total employment

Growth of the Nation's civilian labor force, which has resumed at a rapid pace in mid-1971, persisted during 1972. By the fourth quarter of the year, the labor force had reached 87.2 million, exceeding its mid-1971 level by nearly 3.2 million (after eliminating the effects of the 1970 Census population control adjustment introduced in January 1972). On an annual average basis, the labor force gain amounted to 2.1 million, compared with increases of 1.3 million in 1971 and 2.0 million in each of the previous 2 years. In addition to normal population growth, the 1972 upsurge was attributable to the continued reductions in the Armed Forces and to rising participation of adult women and teenagers.

Total employment advanced strongly during the course of 1972, continuing the expansion evident since mid-1971. Job gains averaging more than half a million each quarter brought employment to an alltime high of 82.6 million in the final quarter of the year, 3.6 million above mid-1971. On an annual average basis, employment rose by 2.3 million, in marked contrast to increases of 490,000 in 1971 and 730,000 in 1970. The 1972 job pickup represented the largest annual expansion in the post-World War II period; it was most pronounced among adult workers 25 years of age and over. However, employment of young adults and teenagers also posted impressive gains.

Unemployment

Despite the resurgence in employment growth during the past year and a half, the reduction in the number of jobless workers was modest. For 1972 as a whole, unemployment averaged 4.8 million, down nearly 200,000 from the 1971 level. The overall jobless rate was 5.6 percent, compared with 5.9 percent in 1971 but still above the annual rates of 4.9 percent in 1970 and 3.5 percent in 1969.

Although the overall jobless rate did not show a large change on an annual basis from 1971, there was an appreciable downtrend in joblessness during the course of the year. The overall jobless rate edged down in every quarter beginning with the last quarter of 1971, following 3 consecutive quarters at 6.0 percent. By the fourth quarter of 1972, the rate was down to 5.3 percent, its lowest point since the third quarter of 1970.

Paralleling the movements in the Nation's overall jobless rate, the rates for most of the major demographic groups in the labor force also diminished from relatively high levels in 1970 and 1971. (See table D.)

The unemployment rate for adult men, which had stayed above 4 percent from late 1970 through mid-1972, dropped to 3.6 percent by the last quarter. On an annual basis, the adult-male rate averaged 4.0 percent in 1972, down from 4.4 percent in 1971.

The unemployment rate for adult women, on the other hand, showed less improvement. After moving within the 5.5-5.8 percent range since late 1970, it declined to 5.3 percent in the first quarter of 1972. In the next 2 quarters, however, it reverted to the higher 1971 levels and then receded again in the last quarter, to 5.2 percent. On an annual basis, their rate was 5.4 percent, compared with 5.7 percent in 1971.

Teenage unemployment did not begin to decrease until the second quarter of 1972. In the first quarter of the year, in fact, the teenage rate had soared to 18.2 percent, surpassing the previous post-World War II high recorded in 1963. By the fourth quarter of the year, their rate was down to 15.6 percent, the lowest point since the summer of 1970.

The unemployment rate for household heads declined substantially during 1972, moving from 3.6 percent in the last quarter of 1971 to 3.1 percent by the end of 1972; on an annual basis, their rate was 3.3 percent, compared with 3.6 percent in 1971.

The rate for married men, which had more than doubled in 1970-71 after attaining a record low of 1.4 percent in 1969, edged down gradually during 1972, reaching 2.6 percent in the fourth quarter. For the year as a whole, their jobless rate averaged 2.8 percent, down from 3.2 percent in 1971, and only half as high as the rate for all workers.

The jobless rate for Negro workers held close to the 10-percent mark during the course of 1972, while the rate for white workers edged downward. On an annual basis, the Negro jobless rate, at 10.0 percent, was virtually the same as their 1971 rate (9.9 percent). By contrast, the rate for white workers moved down, from 5.4 to 5.0 percent. As a result, the overall Negro-white jobless rate ratio—which had been below 2 to 1 in 1970 and 1971, averaging 1.8 to 1 in each year—returned to the 2-to-1 differential in 1972.

The unemployment rate for full-time workers, which had held within the 5.4-5.6 percent range from late 1970 through early 1972, drifted downward during the year, reaching 4.8 percent in the fourth quarter. The rate for all part-time workers, on the other hand, was little changed over the 2-year span, averaging 5.6 percent in 1972.

Among workers in the major industries, the jobless rate for manufacturing workers declined by a considerable amount in 1972, after reaching a high of 7.1 percent in the fourth quarter of 1970 and remaining near that point throughout most of 1971. By the last quarter of 1972, the factory worker rate had fallen below 5 percent; this improvement was particularly prominent among workers engaged in durable goods production. For workers in the construction industry, the unemployment rate showed only a mild downtrend since reaching a 6-year high of 11.6 percent in the third quarter of 1970, keeping close to the 10-percent mark since early 1971.

There were also marked reductions in 1972 among some of the key occupational groups. The jobless rate for workers in blue-collar occupations, which had reached an 8-year high of 7.5 percent in late 1970 and had remained at this level throughout 1971, dropped steadily after the first quarter of 1972, reaching 5.8 percent by the end of the year. Their annual average rate was 6.5 percent in 1972, compared with 7.4 percent in 1971. Much of the blue-collar improvement occurred among semi-skilled operatives, whose rate fell from 8.3 to 6.9 percent on an annual basis. For white-collar workers, the 1972 unemployment rate held close to the 3½-percent level that had prevailed since late 1970. There was, however, a substantial reduction among professional and technical workers, a group that had experienced particularly sharp unemployment increases in 1970 and early 1971. Their rate had been at a post-World War II high of a little over 3 percent in early 1971 but receded to an average of 2.4 percent in 1972.

Although the number of jobless workers declined between 1971 and 1972, the average period of time workers remained unemployed, at 12.1 weeks, was a bit longer than in 1971. The number of long-term unemployed—those who were jobless for 15 or more weeks—averaged 1.2 million in 1972. They represented 24 percent of all unemployed persons and 1.3 percent of the civilian labor force, about the same proportions as in 1971.

The small reduction in unemployment on an annual basis between 1971 and 1972 was attributable primarily to a drop in the number of workers losing their jobs. There was a modest upturn in the number of unemployed who were in search of their first jobs as well as among those who had voluntarily quit their last job.

Vietnam era veterans

The number of 20-to-29 year-old veterans in the labor force averaged 4.2 million in 1972, about 490,000 more than in 1971. All of this increase was in employment, as their unemployment level remained close to 300,000. The average unemployment rate for veterans dropped from 8.8 to 7.3 percent, a stronger year-to-year decline than for the nonveterans, whose rate fell from 7.3 to 6.8 percent. Over the course of 1972, the veterans' rate declined from over 8 percent early in the year to about 6 percent by the last quarter.

The reduction in the veterans' unemployment rate largely reflected the improved economic situation and special nationwide efforts to help in the employment of veterans. In addition, the tapering off of military discharges from a monthly peak of nearly 100,000 at the beginning of 1972 to less than 50,000 at the end meant that the economy had to absorb fewer of the inexperienced young veterans than in each year since 1969. Also, a larger proportion of Vietnam Era veterans in 1972 had been out of the Armed Forces for several years and thus had more labor market experience and less vulnerability to unemployment.

The gap between the average unemployment rate of veterans and nonveterans narrowed in 1972. During the first half, the veterans rate was 1 percentage point higher than the nonveteran rate. By the last few months, however, the gap disappeared altogether, and in December the veterans' rate dropped below that for nonveterans.

At the close of 1972, there were about 6 million male Vietnam Era veterans of all ages in the population; 1.8 million were in ages 20 to 24, 2.8 million were 25 to 29, and 825,000 were 30 to 34. The 30-to-34 year age group will continue to increase in size over the next few years; in 1972, about 97 percent were in the labor force, and their unemployment rate of 2.9 percent was roughly the same as for nonveterans.

Industry developments

Total nonagricultural payroll employment showed impressive growth in 1972, rising by 2.1 million from the 1971 level to 72¾ million. This gain followed 2 consecutive years of almost no employment growth. The 1971-72 upturn was paced by the continued expansion of the service-producing sector but was also well supported by a renewal of growth in the goods-producing industries.

The turnaround in goods-producing jobs was led by the resurgent manufacturing industries. Factory employment had been hit hard by the 1969-70 recession and cutbacks in defense and aerospace expenditures and did not begin to recover until the end of 1971; it rose in every quarter of 1972, however, with the 360,000 increase in the last quarter being the largest single quarter-to-quarter gain in more than 6 years. For the year as a whole, manufacturing employment averaged 18.9 million, a gain of 400,000 from 1971 but still 1.2 million short of the alltime high reached in 1969. The manufacturing employment gain was centered in the durable goods industries, with the largest gains being registered in electrical equipment, machinery, and fabricated metals.

Among the other goods-producing industries, employment in mining held constant, and employment in contract construction rose by 110,000. The construction gain stemmed from a surge in homebuilding to record levels, bringing the employment level to an all-time high of 3.5 million jobs.

Although employment gains were recorded in each of the major service-producing industry categories with the exception of Federal government, the 1.6 million over-the-year increase was concentrated in three industries: retail trade, services, and State and local government.

Despite the rapid economic expansion and large employment gains recorded during the year, the average workweek for production or nonsupervisory workers on private nonfarm payrolls rose only marginally, averaging 37.2 hours as compared with 37.0 hours in 1971 and 37.1 hours in 1970.

In the manufacturing sector, however, the large employment gains were accompanied by a significant increase in the workweek. Continuing the rise which began in the last quarter of 1971, average hours in manufacturing moved up throughout 1972, averaging 40.6 hours for the year. This represented an increase of 0.7 hour from 1971. Factory overtime, an important indicator of the pulse of economic activity, averaged 3.5 hours in 1972, a marked improvement over the 2.9-hour average of 1971.

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

TABLE B.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION 16 YEARS AND OVER,
ANNUAL AVERAGES, 1970-72

[In thousands]

| Employment status | 1972 | 1971 | 1970 | Change | |
|--------------------------------|--------|--------|--------|----------------------|---------|
| | | | | 1971-72 ¹ | 1970-71 |
| Total labor force..... | 88,991 | 86,929 | 85,903 | 1,729 | 1,026 |
| Armed forces..... | 2,449 | 2,817 | 3,188 | -368 | -371 |
| Civilian labor force..... | 86,542 | 84,113 | 82,715 | 2,096 | 1,398 |
| Employed..... | 81,702 | 79,120 | 78,627 | 2,281 | 493 |
| Agriculture..... | 3,472 | 3,387 | 3,462 | 72 | -75 |
| Nonagricultural industries.. | 78,230 | 75,732 | 75,165 | 2,210 | 567 |
| Unemployed..... | 4,840 | 4,993 | 4,088 | -185 | 905 |
| Unemployment rate (percent)... | 5.6 | 5.9 | 4.9 | -.3 | 1.0 |
| Not in labor force..... | 56,785 | 55,666 | 54,280 | 665 | 1,386 |

¹ Changes shown incorporate the differences stemming from the introduction of the 1970 census population controls into the current population survey estimation procedures. They thus will differ from the arithmetic difference in each of the 1971-72 changes by the amount of the specific difference (see tables 1 and 3 in "Revisions in Current Population Survey" in the February 1972 issue of "Employment and Earnings").

TABLE C.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT, ANNUAL
AVERAGES, 1970-72

| Duration of unemployment | 1972 | | 1971 | | 1970 | |
|------------------------------|----------------------|---------|----------------------|---------|----------------------|---------|
| | Thousands of persons | Percent | Thousands of persons | Percent | Thousands of persons | Percent |
| Total..... | 4,840 | 100.0 | 4,993 | 100.0 | 4,088 | 100.0 |
| Less than 5 weeks..... | 2,223 | 45.9 | 2,234 | 44.7 | 2,137 | 52.3 |
| 5 to 14 weeks..... | 1,458 | 30.1 | 1,578 | 31.6 | 1,289 | 31.5 |
| 15 weeks and over..... | 1,158 | 23.9 | 1,181 | 23.7 | 662 | 16.2 |
| 15 to 26 weeks..... | 597 | 12.3 | 665 | 13.3 | 427 | 10.4 |
| 27 weeks and over..... | 562 | 11.6 | 517 | 10.4 | 235 | 5.7 |
| Average (mean) duration..... | 12.1 | | 11.4 | | 8.8 | |

TABLE D.—MAJOR UNEMPLOYMENT INDICATORS, ANNUAL AVERAGES, 1967-72 (PERSONS 16 YEARS AND OVER)

| | [In percent] | | | | | |
|--|--------------|------|------|------|------|------|
| Selected categories | 1972 | 1971 | 1970 | 1969 | 1968 | 1967 |
| Total (all civilian workers)..... | 5.6 | 5.9 | 4.9 | 3.5 | 3.6 | 3.8 |
| Men, 20 years and over..... | 4.0 | 4.4 | 3.5 | 2.1 | 2.2 | 2.3 |
| Women, 20 years and over..... | 5.4 | 5.7 | 4.8 | 3.7 | 3.8 | 4.2 |
| Both sexes, 16 to 19 years..... | 16.2 | 16.9 | 15.3 | 12.2 | 12.7 | 12.9 |
| White..... | 5.0 | 5.4 | 4.5 | 3.1 | 3.2 | 3.4 |
| Negro and other races..... | 10.0 | 9.9 | 8.2 | 6.4 | 6.7 | 7.4 |
| Household heads..... | 3.3 | 3.6 | 2.9 | 1.8 | 1.9 | 2.1 |
| Married men..... | 2.8 | 3.2 | 2.6 | 1.5 | 1.6 | 1.8 |
| Full-time workers..... | 5.1 | 5.5 | 4.5 | 3.1 | 3.1 | 3.4 |
| Part-time workers..... | 8.6 | 8.7 | 7.6 | 6.2 | 6.5 | 6.9 |
| Unemployed 15 week and over..... | 1.3 | 1.4 | .8 | .5 | .5 | .6 |
| Labor force time lost..... | 6.0 | 6.4 | 5.4 | 3.9 | 4.0 | 4.2 |
| Vietnam era veterans, 20-29 years..... | 7.3 | 8.8 | 6.9 | 4.5 | (1) | (1) |
| Nonveterans, 20 to 29 years..... | 6.8 | 7.3 | 6.0 | 3.6 | (1) | (1) |
| OCCUPATION | | | | | | |
| White-collar workers..... | 3.4 | 3.5 | 2.8 | 2.1 | 2.0 | 2.2 |
| Professional and technical..... | 2.4 | 2.9 | 2.0 | 1.3 | 1.2 | 1.3 |
| Managers and administrators, except farm..... | 1.8 | 1.6 | 1.3 | .9 | 1.0 | .9 |
| Sales workers..... | 4.3 | 4.3 | 3.9 | 2.9 | 2.8 | 3.2 |
| Clerical workers..... | 4.7 | 4.8 | 4.0 | 3.0 | 3.0 | 3.1 |
| Blue-collar workers..... | 6.5 | 7.4 | 6.2 | 3.9 | 4.1 | 4.4 |
| Craftsmen and foremen..... | 4.3 | 4.7 | 3.8 | 2.2 | 2.4 | 2.5 |
| Operatives..... | 6.9 | 8.3 | 7.1 | 4.4 | 4.5 | 5.0 |
| Nonfarm laborers..... | 10.3 | 10.8 | 9.5 | 6.7 | 7.2 | 7.6 |
| Service workers..... | 6.3 | 6.3 | 5.3 | 4.2 | 4.4 | 4.5 |
| Farm workers..... | 2.6 | 2.6 | 2.6 | 1.9 | 2.1 | 2.3 |
| INDUSTRY | | | | | | |
| Private nonagricultural wage and salary workers..... | 5.7 | 6.2 | 5.2 | 3.5 | 3.6 | 3.9 |
| Construction..... | 10.3 | 10.4 | 9.7 | 6.0 | 6.9 | 7.3 |
| Manufacturing..... | 5.6 | 6.8 | 5.6 | 3.3 | 3.3 | 3.7 |
| Durable goods..... | 5.4 | 7.0 | 5.7 | 3.0 | 3.0 | 3.4 |
| Nondurable goods..... | 5.7 | 6.5 | 5.4 | 3.7 | 3.7 | 4.1 |
| Transportation and public utilities..... | 3.5 | 3.8 | 3.2 | 2.2 | 2.0 | 2.4 |
| Wholesale and retail trade..... | 6.4 | 6.4 | 5.3 | 4.1 | 4.0 | 4.2 |
| Finance and service industries..... | 4.8 | 5.1 | 4.2 | 3.3 | 3.4 | 3.6 |
| Government workers..... | 2.9 | 2.9 | 2.2 | 1.9 | 1.8 | 1.8 |
| Agricultural wage and salary workers..... | 7.6 | 7.9 | 7.5 | 6.0 | 6.3 | 6.9 |

1 Not available.

TABLE E.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY, ANNUAL AVERAGES, 1970-72

[In thousands]

| Industry | 1972 | 1971 | 1970 | Change | |
|-------------------------------------|---------|---------|---------|---------|---------|
| | | | | 1971-72 | 1970-71 |
| Total | 72,750 | 70,645 | 70,593 | 2,105 | 52 |
| Goods-producing | 23,055 | 22,542 | 23,352 | 513 | -810 |
| Mining | 607 | 602 | 623 | 5 | -21 |
| Contract construction | 3,520 | 3,411 | 3,381 | 109 | -30 |
| Manufacturing | 18,928 | 18,529 | 19,349 | 399 | -820 |
| Durable goods | 10,881 | 10,565 | 11,195 | 316.0 | -630 |
| Ordnance and accessories | 187.4 | 192.1 | 241.9 | -4.7 | -49.8 |
| Lumber and wood products | 612.0 | 580.8 | 572.7 | 31.2 | 8.1 |
| Furniture and fixtures | 492.9 | 458.5 | 459.8 | 34.4 | -1.3 |
| Stone, clay, and glass products | 660.0 | 633.7 | 640.2 | 26.3 | -6.5 |
| Primary metal industries | 1,234.5 | 1,227.4 | 1,315.6 | 7.1 | -88.2 |
| Fabricated metal products | 1,370.5 | 1,328.2 | 1,380.4 | 42.3 | -52.2 |
| Machinery, except electrical | 1,863.5 | 1,805.3 | 1,982.1 | 58.1 | -176.8 |
| Electrical equipment | 1,833.0 | 1,768.5 | 1,917.0 | 64.5 | -148.5 |
| Transportation equipment | 1,744.3 | 1,723.9 | 1,799.1 | 20.4 | -75.2 |
| Instruments and related | 455.9 | 437.0 | 460.4 | 18.9 | -23.4 |
| Miscellaneous manufacturing | 425.4 | 409.6 | 425.7 | 15.8 | -16.1 |
| Nondurable goods | 8,048 | 7,964 | 8,154 | 84 | -190 |
| Food and kindred products | 1,750.3 | 1,738.5 | 1,782.8 | -8.0 | -24.5 |
| Tobacco manufactures | 71.8 | 76.3 | 82.9 | -4.5 | -6.6 |
| Textile mill products | 990.9 | 957.0 | 975.9 | 33.9 | -18.9 |
| Apparel | 1,335.6 | 1,335.7 | 1,364.6 | -1 | -28.9 |
| Paper and allied products | 696.8 | 683.6 | 705.5 | 13.2 | -21.9 |
| Printing and publishing | 1,079.2 | 1,071.2 | 1,101.6 | 8.0 | -30.4 |
| Chemicals and allied products | 1,002.4 | 1,008.2 | 1,049.0 | -5.8 | -40.8 |
| Petroleum and coal products | 189.7 | 190.6 | 190.8 | -9 | -2 |
| Rubber | 626.8 | 580.9 | 580.1 | 45.9 | 8 |
| Leather and leather products | 304.5 | 302.4 | 320.4 | 2.1 | -18.0 |
| Service-producing | 49,695 | 48,103 | 47,242 | 1,592 | 861 |
| Transportation and public utilities | 4,495 | 4,442 | 4,493 | 53 | -51 |
| Wholesale and retail trade | 15,679 | 15,142 | 14,914 | 537 | 228 |
| Wholesale trade | 3,918 | 3,809 | 3,812 | 109 | -3 |
| Retail trade | 11,760 | 11,333 | 11,102 | 427 | 231 |
| Finance, insurance, and real estate | 3,926 | 3,796 | 3,688 | 130 | 108 |
| Services | 12,309 | 11,869 | 11,612 | 440 | 257 |
| Government | 13,287 | 12,856 | 12,535 | 431 | 321 |
| Federal | 2,649 | 2,664 | 2,705 | -15 | -41 |
| State and local | 10,639 | 10,191 | 9,830 | 448 | 361 |

1 Preliminary.

Note: Figures for periods prior to January 1972 in the tables and charts are not strictly comparable with current data because of the introduction of 1970 census data into the estimation procedures. For example, the civilian labor force and employment totals were raised by more than 300,000 as a result of the census adjustment. An explanation of the changes and indication of the differences appear in "Revisions in the Current Population Survey" in the February 1972 issue of Employment and Earnings.

TABLE A-1.—EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION BY SEX AND AGE

| Employment status, age, and sex | December 1972 | November 1972 | December 1971 | Seasonally adjusted | | | | August 1972 |
|--|------------------|------------------|------------------|---------------------|------------------|-----------------|-------------------|----------------|
| | | | | December 1972 | November 1972 | October 1972 | September 1972 | |
| TOTAL | | | | | | | | |
| Total labor force..... | 89,437 | 89,400 | 87,541 | 89,777 | 89,468 | 89,691 | 89,454 | 89,256 |
| Civilian labor force..... | 86,997 | 86,969 | 84,883 | 87,337 | 87,037 | 87,276 | 87,049 | 86,860 |
| Employed..... | 82,881 | 82,793 | 80,188 | 82,812 | 82,531 | 82,482 | 82,222 | 81,973 |
| Agriculture..... | 3,163 | 3,363 | 2,948 | 3,639 | 3,524 | 3,660 | 3,575 | 3,625 |
| Nonagricultural industries..... | 79,719 | 79,340 | 77,240 | 79,173 | 79,007 | 78,822 | 78,647 | 78,348 |
| On part time for economic reasons..... | 1,990 | 2,011 | 2,198 | 2,165 | 2,266 | 2,302 | 2,340 | 2,488 |
| Usually work full time..... | 917 | 946 | 1,045 | 951 | 1,067 | 1,041 | 1,058 | 1,082 |
| Usually work part time..... | 1,073 | 1,065 | 1,153 | 1,214 | 1,199 | 1,261 | 1,282 | 1,406 |
| Unemployed..... | 4,116 | 4,266 | 4,695 | 4,525 | 4,506 | 4,794 | 4,827 | 4,887 |
| MEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 48,921 | 48,882 | 47,990 | 49,113 | 49,031 | 49,227 | 49,083 | 48,954 |
| Employed..... | 47,263 | 47,309 | 45,907 | 47,451 | 47,285 | 47,303 | 47,204 | 47,063 |
| Agriculture..... | 2,464 | 2,532 | 2,266 | 2,652 | 2,597 | 2,663 | 2,629 | 2,550 |
| Nonagricultural industries..... | 44,799 | 44,777 | 43,641 | 44,799 | 44,688 | 44,640 | 44,575 | 44,513 |
| Unemployed..... | 1,657 | 1,573 | 2,083 | 1,662 | 1,746 | 1,924 | 1,879 | 1,891 |
| WOMEN, 20 YEARS AND OVER | | | | | | | | |
| Civilian labor force..... | 30,291 | 30,328 | 29,628 | 29,908 | 29,802 | 29,958 | 29,915 | 29,990 |
| Employed..... | 28,980 | 28,864 | 28,182 | 28,373 | 28,308 | 28,322 | 28,296 | 28,334 |
| Agriculture..... | 445 | 534 | 434 | 561 | 533 | 575 | 561 | 604 |
| Nonagricultural industries..... | 28,535 | 28,330 | 27,748 | 27,812 | 27,775 | 27,747 | 27,735 | 27,730 |
| Unemployed..... | 1,311 | 1,463 | 1,445 | 1,535 | 1,494 | 1,636 | 1,619 | 1,656 |
| BOTH SEXES, 16-19 YEARS | | | | | | | | |
| Civilian labor force..... | 7,786 | 7,759 | 7,266 | 8,316 | 8,204 | 8,091 | 8,051 | 7,916 |
| Employed..... | 6,638 | 6,530 | 6,099 | 6,988 | 6,938 | 6,857 | 6,722 | 6,576 |
| Agriculture..... | 253 | 296 | 248 | 426 | 394 | 422 | 385 | 471 |
| Nonagricultural industries..... | 6,384 | 6,233 | 5,851 | 6,562 | 6,544 | 6,435 | 6,337 | 6,105 |
| Unemployed..... | 1,148 | 1,229 | 1,167 | 1,328 | 1,266 | 1,234 | 1,329 | 1,340 |

TABLE A-2.—FULL- AND PART-TIME STATUS OF THE CIVILIAN LABOR FORCE BY SEX AND AGE

[Numbers in thousands]

| Full- and part-time employment status, sex, and age | De- cember 1972 | De- cember 1971 | Seasonally adjusted | | | | | De- cember 1971 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------|------------------------|----------------|-----------------------|
| | | | De- cember 1972 | No- vember 1972 | October 1972 | Sep- tember 1972 | August 1972 | |
| FULL TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 73,595 | 72,612 | 74,806 | 74,470 | 74,805 | 74,195 | 74,201 | 73,169 |
| Employed..... | 70,567 | 68,362 | 71,322 | 71,010 | 71,085 | 70,482 | 70,423 | 69,022 |
| Unemployed..... | 3,028 | 3,649 | 3,484 | 3,460 | 3,720 | 3,713 | 3,778 | 4,147 |
| Unemployment rate..... | 4.1 | 5.1 | 4.7 | 4.6 | 5.0 | 5.0 | 5.1 | 5.7 |
| Men, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 46,350 | 45,582 | 46,578 | 46,539 | 46,788 | 46,573 | 46,539 | 45,805 |
| Employed..... | 44,854 | 43,662 | 45,079 | 44,952 | 45,015 | 44,859 | 44,801 | 43,881 |
| Unemployed..... | 1,496 | 1,920 | 1,499 | 1,587 | 1,773 | 1,714 | 1,738 | 1,924 |
| Unemployment rate..... | 3.2 | 4.2 | 3.2 | 3.4 | 3.8 | 3.7 | 3.7 | 4.2 |
| Women, 20 years and over: | | | | | | | | |
| Civilian labor force..... | 23,583 | 23,107 | 23,435 | 23,335 | 23,475 | 23,322 | 23,433 | 22,992 |
| Employed..... | 22,609 | 21,962 | 22,319 | 22,169 | 22,208 | 22,067 | 22,119 | 21,620 |
| Unemployed..... | 974 | 1,145 | 1,116 | 1,166 | 1,267 | 1,255 | 1,314 | 1,312 |
| Unemployment rate..... | 4.1 | 5.0 | 4.8 | 5.0 | 5.4 | 5.4 | 5.6 | 5.7 |
| PART TIME | | | | | | | | |
| Total, 16 years and over: | | | | | | | | |
| Civilian labor force..... | 13,402 | 12,871 | 12,585 | 12,612 | 12,506 | 12,983 | 12,759 | 12,083 |
| Employed..... | 12,314 | 11,826 | 11,528 | 11,555 | 11,427 | 11,866 | 11,630 | 11,072 |
| Unemployed..... | 1,088 | 1,046 | 1,058 | 1,057 | 1,079 | 1,117 | 1,129 | 1,011 |
| Unemployment rate..... | 8.1 | 8.1 | 8.4 | 8.4 | 8.6 | 8.6 | 8.8 | 8.4 |

Note: Persons on part-time schedules for economic reasons are included in the full-time employed category; unemployed persons are allocated by whether seeking full- or part-time work.

TABLE A-3.—MAJOR UNEMPLOYMENT INDICATORS

(Persons 16 years and over)

| Selected categories | Thousands of persons unemployed | | Seasonally adjusted rates of unemployment | | | | | |
|---|---------------------------------|---------------|---|---------------|--------------|----------------|-------------|---------------|
| | December 1972 | December 1971 | December 1972 | November 1972 | October 1972 | September 1972 | August 1972 | December 1971 |
| Total (all civilian workers)..... | 4, 116 | 4, 695 | 5.2 | 5.2 | 5.5 | 5.5 | 5.6 | 6.0 |
| Men, 20 years and over..... | 1, 657 | 2, 083 | 3.4 | 3.6 | 3.9 | 3.8 | 3.9 | 4.3 |
| Women, 20 years and over..... | 1, 311 | 1, 445 | 5.1 | 5.0 | 5.5 | 5.4 | 5.5 | 5.8 |
| Both sexes, 16-19 years..... | 1, 148 | 1, 167 | 16.0 | 15.4 | 15.3 | 16.5 | 16.9 | 17.3 |
| White..... | 3, 291 | 3, 832 | 4.6 | 4.6 | 5.0 | 5.0 | 5.1 | 5.4 |
| Negro and other races..... | 835 | 863 | 9.6 | 9.8 | 10.1 | 10.2 | 9.7 | 10.4 |
| Household heads..... | 1, 435 | 1, 817 | 2.9 | 2.9 | 3.4 | 3.3 | 3.3 | 3.8 |
| Married men..... | 978 | 1, 281 | 2.4 | 2.4 | 2.8 | 2.8 | 2.6 | 3.2 |
| Full-time workers..... | 3, 028 | 3, 649 | 4.7 | 4.6 | 5.0 | 5.0 | 5.1 | 5.7 |
| Part-time workers..... | 1, 088 | 1, 046 | 8.4 | 8.4 | 8.6 | 8.6 | 8.8 | 8.4 |
| Unemployed 15 weeks and over ¹ | 862 | 1, 104 | 1.1 | 1.2 | 1.3 | 1.3 | 1.4 | 1.5 |
| State insured ² | 1, 678 | 2, 110 | 3.2 | 3.1 | 3.3 | 3.4 | 3.4 | 4.1 |
| Labor force time lost ³ | | | 5.4 | 5.4 | 6.0 | 5.9 | 6.2 | 6.4 |
| OCCUPATION ⁴ | | | | | | | | |
| White-collar workers..... | 1, 150 | 1, 178 | 3.4 | 3.1 | 3.6 | 3.3 | 3.5 | 3.6 |
| Professional and technical..... | 245 | 241 | 2.9 | 2.1 | 2.8 | 2.2 | 2.4 | 2.9 |
| Managers and administrators, except farm..... | 138 | 147 | 1.6 | 2.1 | 2.1 | 1.7 | 1.8 | 1.8 |
| Sales workers..... | 187 | 173 | 4.2 | 4.3 | 4.2 | 4.7 | 4.8 | 4.0 |
| Clerical workers..... | 581 | 616 | 4.6 | 3.9 | 4.8 | 4.7 | 4.9 | 4.9 |
| Blue-collar workers..... | 1, 718 | 2, 202 | 5.7 | 5.8 | 5.9 | 6.1 | 6.5 | 7.5 |
| Craftsmen and kindred workers..... | 459 | 555 | 4.0 | 4.2 | 4.0 | 4.2 | 4.4 | 4.8 |
| Operatives..... | 841 | 1, 121 | 6.0 | 6.0 | 6.4 | 6.4 | 6.7 | 8.2 |
| Nonfarm laborers..... | 419 | 527 | 8.7 | 9.2 | 9.2 | 9.6 | 10.9 | 11.9 |
| Service workers..... | 644 | 648 | 6.2 | 6.4 | 6.2 | 7.3 | 6.3 | 6.4 |
| Farmworkers..... | 88 | 95 | 2.3 | 3.9 | 3.1 | 2.9 | 2.7 | 2.7 |
| INDUSTRY ⁴ | | | | | | | | |
| Nonagricultural private wage and salary workers ⁴ | 3, 039 | 3, 559 | 5.3 | 5.2 | 5.6 | 5.6 | 5.8 | 6.3 |
| Construction..... | 452 | 496 | 10.0 | 9.7 | 10.6 | 9.2 | 11.6 | 11.2 |
| Manufacturing..... | 910 | 1, 301 | 4.7 | 4.7 | 5.0 | 5.1 | 5.4 | 6.9 |
| Durable goods..... | 476 | 762 | 4.1 | 4.4 | 4.5 | 4.8 | 5.0 | 6.7 |
| Nondurable goods..... | 434 | 538 | 5.7 | 5.0 | 5.8 | 5.5 | 6.0 | 7.1 |
| Transportation and public utilities..... | 127 | 187 | 2.7 | 2.8 | 3.5 | 3.7 | 3.8 | 4.1 |
| Wholesale and retail trade..... | 801 | 814 | 6.2 | 6.2 | 6.4 | 6.7 | 6.6 | 6.5 |
| Finance and service industries..... | 730 | 730 | 4.7 | 4.5 | 4.9 | 4.7 | 4.7 | 4.9 |
| Government workers..... | 378 | 367 | 3.2 | 2.7 | 3.2 | 3.2 | 3.0 | 3.2 |
| Agricultural wage and salary workers.. | 103 | 103 | 6.6 | 9.8 | 9.6 | 8.9 | 6.5 | 7.5 |

¹ Unemployment rate calculated as a percent of civilian labor force.² Insured unemployment under State programs—unemployment rate calculated as a percent of average covered employment. As with the other statistics presented, insured unemployment data relate to the week containing the 12th.³ Man-hours lost by the unemployed and person on part time for economic reasons as a percent of potentially available labor force man-hours.⁴ Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.⁵ Includes mining, not shown separately.

TABLE A-4.—UNEMPLOYED PERSONS 16 YEARS AND OVER BY DURATION OF UNEMPLOYMENT
[In thousands]

| Duration of unemployment | Decem- ber 1972 | Decem- ber 1971 | Seasonally adjusted | | | | | Decem- ber 1971 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------------|----------------|-----------------------|
| | | | Decem- ber 1972 | Novem- ber 1972 | Octo- ber 1972 | Sep- tem- ber 1972 | August 1972 | |
| Less than 5 weeks..... | 1,795 | 2,068 | 2,092 | 2,165 | 2,256 | 2,369 | 2,254 | 2,410 |
| 5 to 14 weeks..... | 1,459 | 1,524 | 1,445 | 1,398 | 1,447 | 1,385 | 1,505 | 1,509 |
| 15 weeks and over..... | 862 | 1,104 | 994 | 1,068 | 1,095 | 1,137 | 1,188 | 1,273 |
| 15 to 26 weeks..... | 473 | 604 | 566 | 505 | 545 | 587 | 644 | 724 |
| 27 weeks and over..... | 389 | 499 | 428 | 463 | 550 | 550 | 544 | 549 |
| Average (mean) duration, in weeks..... | 11.7 | 11.9 | 11.2 | 11.3 | 11.6 | 12.2 | 12.1 | 11.4 |

TABLE A-5.—UNEMPLOYED PERSONS BY REASON FOR UNEMPLOYMENT
[Numbers in thousands]

| Reason for unemployment | Decem- ber 1972 | Decem- ber 1971 | Seasonally adjusted | | | | | Decem- ber 1971 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------------|----------------|-----------------------|
| | | | Decem- ber 1972 | Novem- ber 1972 | Octo- ber 1972 | Sep- tem- ber 1972 | August 1972 | |
| NUMBER OF UNEMPLOYED | | | | | | | | |
| Lost last job..... | 1,897 | 2,322 | 1,932 | 1,893 | 1,942 | 2,121 | 2,244 | 2,365 |
| Left last job..... | 581 | 551 | 702 | 650 | 666 | 635 | 644 | 666 |
| Reentered labor force..... | 1,129 | 1,257 | 1,286 | 1,362 | 1,490 | 1,452 | 1,427 | 1,432 |
| Never worked before..... | 509 | 566 | 662 | 628 | 649 | 649 | 640 | 736 |
| PERCENT DISTRIBUTION | | | | | | | | |
| Total unemployed..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Lost last job..... | 46.1 | 49.4 | 42.2 | 41.8 | 40.9 | 43.7 | 45.3 | 45.5 |
| Left last job..... | 14.1 | 11.7 | 15.3 | 14.3 | 14.0 | 13.1 | 13.0 | 12.8 |
| Reentered labor force..... | 27.4 | 26.8 | 28.1 | 30.0 | 31.4 | 29.9 | 28.8 | 27.5 |
| Never worked before..... | 12.4 | 12.1 | 14.4 | 13.9 | 13.7 | 13.4 | 12.9 | 14.2 |
| UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE | | | | | | | | |
| Lost last job..... | 2.2 | 2.7 | 2.2 | 2.2 | 2.2 | 2.4 | 2.6 | 2.8 |
| Left last job..... | .7 | .6 | .8 | .7 | .8 | .7 | .7 | .8 |
| Reentered labor force..... | 1.3 | 1.5 | 1.5 | 1.6 | 1.7 | 1.7 | 1.6 | 1.7 |
| Never worked before..... | .6 | .7 | .8 | .7 | .7 | .7 | .7 | .9 |

TABLE A-6.—UNEMPLOYED PERSONS BY AGE AND SEX

| Age and sex | Thousands of persons | | Percent looking for full-time work | Seasonally adjusted unemployment rates | | | | | |
|---------------------------------|-------------------------------|---------------|------------------------------------|--|---------------|--------------|----------------|-------------|---------------|
| | December 1972 | December 1971 | December 1972 | December 1972 | November 1972 | October 1972 | September 1972 | August 1972 | December 1971 |
| | Total, 16 years and over..... | 4,116 | 4,695 | 73.6 | 5.2 | 5.2 | 5.5 | 5.5 | 5.6 | 6.0 |
| 16 to 19 years..... | 1,148 | 1,167 | 48.6 | 16.0 | 15.4 | 15.3 | 16.5 | 16.9 | 17.3 |
| 16 and 17 years..... | 545 | 550 | 24.0 | 17.4 | 18.2 | 18.3 | 19.9 | 20.5 | 18.8 |
| 18 and 19 years..... | 603 | 617 | 70.8 | 15.0 | 13.3 | 13.2 | 14.1 | 14.0 | 16.3 |
| 20 to 24 years..... | 898 | 987 | 82.4 | 8.8 | 8.6 | 9.1 | 9.1 | 9.0 | 10.1 |
| 25 years and over..... | 2,070 | 2,541 | 83.5 | 3.3 | 3.3 | 3.6 | 3.5 | 3.6 | 4.1 |
| 25 to 54 years..... | 1,645 | 2,055 | 86.5 | 3.4 | 3.5 | 3.7 | 3.7 | 3.7 | 4.3 |
| 55 years and over..... | 425 | 486 | 72.0 | 3.0 | 2.8 | 3.5 | 3.1 | 3.7 | 3.4 |
| Males, 16 years and over..... | 2,328 | 2,784 | 78.1 | 4.4 | 4.6 | 4.8 | 4.9 | 4.9 | 5.4 |
| 16 to 19 years..... | 671 | 701 | 48.1 | 15.6 | 15.5 | 14.1 | 15.9 | 16.5 | 17.3 |
| 16 and 17 years..... | 330 | 337 | 24.2 | 17.6 | 17.9 | 17.5 | 20.8 | 26.0 | 19.0 |
| 18 and 19 years..... | 342 | 364 | 71.3 | 14.0 | 13.5 | 11.7 | 12.3 | 13.2 | 16.0 |
| 20 to 24 years..... | 523 | 611 | 85.1 | 8.4 | 8.7 | 8.9 | 8.6 | 8.5 | 10.5 |
| 25 years and over..... | 1,134 | 1,471 | 92.7 | 2.7 | 2.7 | 3.1 | 3.0 | 3.1 | 3.5 |
| 25 to 54 years..... | 851 | 1,175 | 97.2 | 2.5 | 2.8 | 3.0 | 3.0 | 3.0 | 3.6 |
| 55 years and over..... | 283 | 296 | 79.5 | 2.9 | 2.7 | 3.6 | 3.3 | 3.4 | 3.0 |
| Females, 16 years and over..... | 1,788 | 1,911 | 67.6 | 6.4 | 6.1 | 6.6 | 6.7 | 6.8 | 7.0 |
| 16 to 19 years..... | 477 | 466 | 49.3 | 16.4 | 15.3 | 16.7 | 17.3 | 17.5 | 17.3 |
| 16 and 17 years..... | 215 | 213 | 24.2 | 17.2 | 18.5 | 19.3 | 18.6 | 21.3 | 18.5 |
| 18 and 19 years..... | 262 | 253 | 69.8 | 16.1 | 13.1 | 15.0 | 16.3 | 14.9 | 16.7 |
| 20 to 24 years..... | 375 | 376 | 78.7 | 9.2 | 8.5 | 9.5 | 9.6 | 9.5 | 9.6 |
| 25 years and over..... | 936 | 1,070 | 72.5 | 4.3 | 4.2 | 4.5 | 4.5 | 4.6 | 5.0 |
| 25 to 54 years..... | 793 | 880 | 75.2 | 4.8 | 4.6 | 4.8 | 4.9 | 4.8 | 5.4 |
| 55 years and over..... | 142 | 190 | 58.5 | 3.1 | 3.0 | 3.4 | 2.9 | 4.3 | 3.9 |

TABLE A-7.—EMPLOYMENT STATUS OF MALE VIETNAM ERA VETERANS AND NONVETERANS 20 TO 29 YEARS OLD

[Numbers in thousands]

| Employment status | Seasonally adjusted | | | | | | | | |
|---|---------------------|----------------|----------------|----------------|----------------|---------------|------------------|--------------|----------------|
| | Decem-ber 1972 | Novem-ber 1972 | Decem-ber 1971 | Decem-ber 1972 | Novem-ber 1972 | Octo-ber 1972 | Sep-tem-ber 1972 | Aug-ust 1972 | Decem-ber 1971 |
| VETERANS ¹ | | | | | | | | | |
| Total, 20 to 29 years old | | | | | | | | | |
| Civilian noninstitutional population ² | 4,648 | 4,636 | 4,334 | 4,648 | 4,636 | 4,624 | 4,596 | 4,574 | 4,334 |
| Civilian labor force | 4,330 | 4,307 | 3,979 | 4,337 | 4,328 | 4,308 | 4,288 | 4,233 | 3,985 |
| Employed | 4,059 | 4,050 | 3,656 | 4,097 | 4,059 | 4,032 | 4,003 | 3,905 | 3,650 |
| Unemployed | 231 | 257 | 323 | 240 | 269 | 276 | 285 | 328 | 335 |
| Unemployment rate | 5.3 | 6.0 | 8.1 | 5.5 | 6.2 | 6.4 | 6.6 | 7.7 | 8.4 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 1,837 | 1,861 | 1,989 | 1,837 | 1,861 | 1,885 | 1,897 | 1,913 | 1,989 |
| Civilian labor force | 1,682 | 1,680 | 1,789 | 1,664 | 1,680 | 1,692 | 1,720 | 1,739 | 1,773 |
| Employed | 1,535 | 1,514 | 1,573 | 1,512 | 1,505 | 1,550 | 1,566 | 1,521 | 1,550 |
| Unemployed | 147 | 166 | 216 | 152 | 175 | 142 | 154 | 218 | 223 |
| Unemployment rate | 8.7 | 9.9 | 12.1 | 9.1 | 10.4 | 8.4 | 9.0 | 12.5 | 12.6 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 2,811 | 2,775 | 2,345 | 2,811 | 2,775 | 2,739 | 2,699 | 2,661 | 2,345 |
| Civilian labor force | 2,648 | 2,627 | 2,190 | 2,673 | 2,648 | 2,616 | 2,568 | 2,494 | 2,212 |
| Employed | 2,564 | 2,536 | 2,083 | 2,585 | 2,554 | 2,482 | 2,437 | 2,384 | 2,100 |
| Unemployed | 84 | 91 | 107 | 88 | 94 | 134 | 131 | 110 | 112 |
| Unemployment rate | 3.2 | 3.5 | 4.9 | 3.3 | 3.5 | 5.1 | 5.1 | 4.4 | 5.1 |
| NONVETERANS | | | | | | | | | |
| Total, 20 to 29 years old | | | | | | | | | |
| Civilian noninstitutional population ² | 10,327 | 10,250 | 9,616 | 10,327 | 10,250 | 10,209 | 10,155 | 10,121 | 9,616 |
| Civilian labor force | 8,879 | 8,814 | 8,270 | 9,110 | 8,985 | 8,994 | 8,800 | 8,729 | 8,483 |
| Employed | 8,343 | 8,328 | 7,676 | 8,519 | 8,410 | 8,400 | 8,262 | 8,167 | 7,834 |
| Unemployed | 536 | 486 | 592 | 591 | 575 | 594 | 538 | 542 | 649 |
| Unemployment rate | 6.0 | 5.5 | 7.2 | 6.5 | 6.4 | 6.6 | 6.1 | 6.2 | 7.7 |
| 20 to 24 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 6,289 | 6,226 | 5,643 | 6,289 | 6,226 | 6,194 | 6,140 | 6,113 | 5,643 |
| Civilian labor force | 5,075 | 5,045 | 4,505 | 5,294 | 5,202 | 5,175 | 5,006 | 4,923 | 4,706 |
| Employed | 4,698 | 4,678 | 4,110 | 4,863 | 4,778 | 4,728 | 4,614 | 4,524 | 4,255 |
| Unemployed | 377 | 367 | 395 | 431 | 424 | 447 | 392 | 399 | 451 |
| Unemployment rate | 7.4 | 7.3 | 8.8 | 8.1 | 8.2 | 8.6 | 7.8 | 8.1 | 9.6 |
| 25 to 29 years: | | | | | | | | | |
| Civilian noninstitutional population ² | 4,038 | 4,024 | 3,973 | 4,038 | 4,024 | 4,015 | 4,015 | 4,008 | 3,973 |
| Civilian labor force | 3,804 | 3,769 | 3,765 | 3,816 | 3,783 | 3,819 | 3,794 | 3,806 | 3,777 |
| Employed | 3,645 | 3,650 | 3,568 | 3,656 | 3,632 | 3,672 | 3,648 | 3,663 | 3,579 |
| Unemployed | 159 | 119 | 197 | 160 | 151 | 147 | 146 | 143 | 198 |
| Unemployment rate | 4.2 | 3.2 | 5.2 | 4.2 | 4.0 | 3.8 | 3.8 | 3.8 | 5.2 |

¹ Vietnam Era veterans are those who served after Aug. 4, 1964; they are all classified as war veterans. 78 percent of the Vietnam Era veterans of all ages are 20 to 29 years old. Post-Korean-peace-time veterans 20 to 29 years old are not included in this table.

² Since seasonal variations are not present in the population figures, identical numbers appear in the unadjusted and seasonally adjusted columns.

TABLE B-1.—EMPLOYEES ON NONAGRICULTURAL PAYROLLS, BY INDUSTRY

[In thousands]

| Industry | December 1972 ¹ | November 1972 ¹ | October 1972 | December 1971 | Change from | | Seasonally adjusted | | | Change from November 1972 |
|--------------------------------------|-------------------------------|-------------------------------|-----------------|------------------|--------------------|--------------------|------------------------------------|------------------------------------|-----------------|------------------------------------|
| | | | | | Novem- ber 1972 | Decem- ber 1971 | Decem- ber 1972 ¹ | Novem- ber 1972 ¹ | October 1972 | |
| Total..... | 74,643.0 | 74,413.0 | 74,118.0 | 72,039.0 | 230.0 | 2,604.0 | 73,892 | 73,868 | 73,589 | 24 |
| Goods-producing..... | 23,328.0 | 23,649.0 | 23,750.0 | 22,515.0 | -321.0 | 813.0 | 23,404 | 23,459 | 23,397 | -55 |
| Mining..... | 599.0 | 607.0 | 609.0 | 607.0 | -8.0 | -8.0 | 603 | 609 | 610 | -6 |
| Contract construction..... | 3,366.0 | 3,635.0 | 3,782.0 | 3,388.0 | -269.0 | -22.0 | 3,445 | 3,529 | 3,568 | -84 |
| Manufacturing..... | 19,363.0 | 19,407.0 | 19,359.0 | 18,520.0 | -44.0 | 843.0 | 19,356 | 19,321 | 19,219 | 35 |
| Production workers..... | 14,237.0 | 14,274.0 | 14,225.0 | 13,467.0 | -37.0 | 770.0 | 14,218 | 14,183 | 14,083 | 35 |
| Durable goods..... | 11,249.0 | 11,227.0 | 11,165.0 | 10,558.0 | 22.0 | 691.0 | 11,240 | 11,191 | 11,127 | 49 |
| Production workers..... | 8,256.0 | 8,235.0 | 8,173.0 | 7,622.0 | 21.0 | 634.0 | 8,239 | 8,198 | 8,131 | 41 |
| Ordnance and accessories..... | 191.2 | 194.7 | 190.5 | 184.3 | -3.5 | 6.9 | 190 | 193 | 191 | -3 |
| Lumber and wood products..... | 614.3 | 621.1 | 623.1 | 593.2 | -6.8 | 21.1 | 622 | 622 | 616 | 0 |
| Furniture and fixtures..... | 513.3 | 512.4 | 508.6 | 477.6 | .9 | 35.7 | 509 | 506 | 503 | 3 |
| Stone, clay, and glass products..... | 665.9 | 676.2 | 679.4 | 632.6 | -10.3 | 33.3 | 672 | 674 | 673 | -2 |
| Primary metal industries..... | 1,267.7 | 1,261.6 | 1,255.0 | 1,172.0 | 6.1 | 95.7 | 1,281 | 1,281 | 1,279 | 0 |
| Fabricated metal products..... | 1,412.0 | 1,411.6 | 1,403.0 | 1,338.2 | .4 | 73.8 | 1,402 | 1,399 | 1,392 | 3 |
| Machinery, except electrical..... | 1,943.4 | 1,918.2 | 1,899.4 | 1,803.5 | 25.2 | 139.9 | 1,949 | 1,932 | 1,915 | 17 |

| | | | | | | | | | | |
|--|----------|----------|----------|----------|-------|---------|--------|--------|--------|-----|
| Electrical equipment..... | 1,920.1 | 1,904.2 | 1,899.4 | 1,785.7 | 15.9 | 134.4 | 1,912 | 1,889 | 1,882 | 23 |
| Transportation equipment..... | 1,812.4 | 1,808.7 | 1,801.6 | 1,721.7 | 3.7 | 90.7 | 1,794 | 1,793 | 1,782 | 1 |
| Instruments and related products..... | 474.1 | 471.5 | 466.4 | 440.1 | 2.6 | 34.0 | 472 | 471 | 466 | 1 |
| Miscellaneous manufacturing..... | 434.4 | 446.9 | 448.9 | 409.4 | -12.5 | 25.0 | 437 | 431 | 428 | 6 |
| Nondurable goods..... | 8,114.0 | 8,180.0 | 8,194.0 | 7,962.0 | -66.0 | 152.0 | 8,116 | 8,130 | 8,092 | -14 |
| Production workers..... | 5,981.0 | 6,039.0 | 6,052.0 | 5,845.0 | -58.0 | 136.0 | 5,979 | 5,985 | 5,952 | -6 |
| Food and kindred products..... | 1,712.9 | 1,766.7 | 1,815.3 | 1,738.7 | -53.8 | -25.8 | 1,728 | 1,746 | 1,742 | -18 |
| Tobacco manufactures..... | 71.6 | 76.7 | 76.6 | 76.2 | -5.1 | -4.6 | 68 | 71 | 66 | -3 |
| Textile mill products..... | 1,018.8 | 1,012.8 | 1,003.2 | 971.9 | 6.0 | 46.9 | 1,016 | 1,009 | 1,002 | 7 |
| Apparel and other textile products..... | 1,347.3 | 1,361.5 | 1,356.8 | 1,327.9 | -14.2 | 19.4 | 1,350 | 1,351 | 1,342 | -1 |
| Paper and allied products..... | 709.3 | 710.1 | 705.6 | 689.9 | -8 | 19.4 | 705 | 707 | 707 | -2 |
| Printing and publishing..... | 1,091.9 | 1,093.4 | 1,088.4 | 1,074.6 | -1.5 | 17.3 | 1,085 | 1,089 | 1,086 | -4 |
| Chemicals and allied products..... | 1,012.8 | 1,010.5 | 1,007.8 | 995.1 | 2.3 | 17.7 | 1,017 | 1,014 | 1,011 | 3 |
| Petroleum and coal products..... | 189.0 | 188.9 | 189.7 | 189.3 | 1 | -3 | 191 | 189 | 189 | 2 |
| Rubber and plastics products, nec..... | 659.4 | 655.5 | 647.4 | 596.5 | 3.9 | 62.9 | 657 | 652 | 643 | 5 |
| Leather and leather products..... | 300.7 | 303.9 | 302.8 | 302.3 | -3.2 | -1.6 | 299 | 302 | 304 | -3 |
| Service-producing..... | 51,315.0 | 50,764.0 | 50,368.0 | 49,524.0 | 551.0 | 1,791.0 | 50,488 | 50,409 | 50,192 | 79 |
| Transportation and public utilities..... | 4,551.0 | 4,555.0 | 4,549.0 | 4,432.0 | -4.0 | 119.0 | 4,551 | 4,550 | 4,540 | 1 |
| Wholesale and retail trade..... | 16,634.0 | 16,143.0 | 15,887.0 | 16,061.0 | 491.0 | 573.0 | 15,914 | 15,935 | 15,835 | -21 |
| Wholesale trade..... | 4,002.0 | 3,988.0 | 3,982.0 | 3,867.0 | 14.0 | 135.0 | 3,974 | 3,960 | 3,954 | 14 |
| Retail trade..... | 12,632.0 | 12,155.0 | 11,905.0 | 12,914.0 | 477.0 | 438.0 | 11,940 | 11,975 | 11,881 | -35 |
| Finance, insurance, and real estate..... | 3,962.0 | 3,965.0 | 3,957.0 | 3,836.0 | -3.0 | 126.0 | 3,982 | 3,981 | 3,969 | 1 |
| Services..... | 12,469.0 | 12,476.0 | 12,463.0 | 11,970.0 | -7.0 | 499.0 | 12,544 | 12,501 | 12,451 | 43 |
| Government..... | 13,699.0 | 13,625.0 | 13,512.0 | 13,225.0 | 74.0 | 474.0 | 13,497 | 13,442 | 13,397 | 55 |
| Federal..... | 2,657.0 | 2,631.0 | 2,627.0 | 2,684.0 | 26.0 | -27.0 | 2,640 | 2,642 | 2,630 | -2 |
| State and local..... | 11,042.0 | 10,994.0 | 10,885.0 | 10,541.0 | 48.0 | 501.0 | 10,857 | 10,800 | 10,767 | 57 |

1 Preliminary.

TABLE B-2.—AVERAGE WEEKLY HOURS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | | | | | Change from | | Seasonally adjusted | | | Change from November 1972 |
|---|----------------------------|----------------------------|--------------|---------------|---------------|---------------|----------------------------|----------------------------|--------------|---------------------------|
| | December 1972 ² | November 1972 ² | October 1972 | December 1971 | November 1972 | December 1971 | December 1972 ² | November 1972 ² | October 1972 | |
| Total private..... | 37.4 | 37.1 | 37.3 | 37.3 | 0.3 | 0.1 | 37.2 | 37.2 | 37.3 | 0.0 |
| Mining..... | 41.9 | 42.6 | 42.9 | 42.7 | -7 | -8 | 41.6 | 42.6 | 42.6 | -1.0 |
| Contract construction..... | 35.2 | 36.0 | 38.2 | 36.4 | -8 | -1.2 | 35.6 | 37.0 | 37.6 | -1.4 |
| Manufacturing..... | 41.5 | 41.0 | 40.8 | 40.7 | 5 | 8 | 41.0 | 40.9 | 40.7 | .1 |
| Overtime hours..... | 4.0 | 3.9 | 3.8 | 3.2 | 1 | 8 | 3.8 | 3.8 | 3.6 | 0 |
| Durable goods..... | 42.4 | 41.8 | 41.5 | 41.4 | 6 | 1.0 | 41.9 | 41.7 | 41.4 | .2 |
| Overtime hours..... | 4.3 | 4.1 | 4.0 | 3.2 | 2 | 1.1 | 4.1 | 4.0 | 3.8 | .1 |
| Ordinance and accessories..... | 43.8 | 42.4 | 42.4 | 42.4 | 1.4 | 1.4 | 43.3 | 42.3 | 42.4 | 1.0 |
| Lumber and wood products..... | 39.9 | 40.8 | 41.4 | 40.8 | -9 | -9 | 39.8 | 40.9 | 41.1 | -1.1 |
| Furniture and fixtures..... | 40.7 | 40.9 | 40.8 | 40.9 | -2 | -2 | 39.8 | 40.5 | 40.2 | -7 |
| Stone, clay and glass products..... | 41.8 | 41.9 | 42.5 | 41.6 | -1 | 2 | 41.8 | 41.8 | 42.2 | 0 |
| Primary metal industries..... | 44.1 | 42.4 | 41.7 | 41.0 | 1.7 | 3.1 | 44.0 | 42.9 | 42.3 | 1.1 |
| Fabricated metal products..... | 42.2 | 41.7 | 41.5 | 41.3 | 5 | 9 | 41.8 | 41.6 | 41.3 | .2 |
| Machinery, except electrical..... | 43.5 | 42.7 | 42.3 | 41.9 | 8 | 1.6 | 42.8 | 42.7 | 42.3 | .1 |
| Electrical equipment..... | 40.9 | 41.1 | 40.8 | 40.8 | -2 | 1 | 40.3 | 40.8 | 40.6 | -5 |
| Transportation equipment..... | 44.6 | 42.5 | 42.0 | 42.5 | 2.1 | 2.1 | 43.6 | 42.0 | 41.5 | 1.6 |
| Instruments and related products..... | 41.1 | 40.9 | 40.7 | 40.8 | 2 | 3 | 40.7 | 40.5 | 40.6 | .2 |
| Miscellaneous manufacturing..... | 39.7 | 39.7 | 39.5 | 39.5 | 0 | 2 | 39.4 | 39.3 | 39.2 | .1 |
| Nondurable goods..... | 40.2 | 40.0 | 39.8 | 39.8 | 2 | 4 | 39.9 | 39.9 | 39.7 | 0 |
| Overtime hours..... | 3.5 | 3.6 | 3.6 | 3.1 | -1 | 4 | 3.4 | 3.5 | 3.4 | -1 |
| Food and kindred products..... | 40.9 | 40.5 | 40.4 | 40.6 | 4 | 3 | 40.6 | 40.4 | 40.4 | .2 |
| Tobacco manufactures..... | 33.9 | 35.0 | 36.8 | 36.1 | -1.1 | -2 | 33.3 | 35.0 | 35.8 | -1.7 |
| Textile mill products..... | 41.9 | 41.7 | 41.4 | 41.5 | 2 | 4 | 41.4 | 41.4 | 41.2 | 0 |
| Apparel and other textile products..... | 36.3 | 36.4 | 36.2 | 35.9 | -1 | 4 | 36.3 | 36.2 | 36.2 | .1 |
| Paper and allied products..... | 43.7 | 43.3 | 43.1 | 42.8 | 4 | 9 | 43.3 | 43.2 | 42.9 | .1 |
| Printing and publishing..... | 38.4 | 38.3 | 38.0 | 38.0 | 1 | 4 | 37.9 | 38.3 | 38.0 | -4 |
| Chemicals and allied products..... | 42.5 | 41.9 | 42.0 | 41.9 | 6 | 6 | 42.2 | 41.8 | 42.0 | .4 |
| Petroleum and coal products..... | 42.9 | 42.3 | 42.7 | 42.3 | 6 | 6 | 43.2 | 42.2 | 42.4 | 1.0 |
| Rubber and plastics products, not elsewhere classified..... | 41.5 | 41.7 | 41.4 | 41.2 | -2 | 3 | 41.1 | 41.6 | 41.2 | -5 |
| Leather and leather products..... | 37.5 | 38.0 | 37.5 | 38.8 | -5 | -1.3 | 36.7 | 37.8 | 37.7 | -1.1 |
| Transportation and public utilities..... | 40.5 | 40.3 | 40.6 | 40.6 | 2 | 1 | 40.3 | 40.1 | 40.4 | .2 |
| Wholesale and retail trade..... | 35.4 | 34.7 | 34.9 | 35.5 | 7 | 1 | 35.2 | 35.0 | 35.1 | .2 |
| Wholesale trade..... | 40.1 | 39.8 | 39.8 | 40.2 | 3 | 1 | 39.7 | 39.9 | 39.8 | -2 |
| Retail trade..... | 34.0 | 33.2 | 33.3 | 34.1 | 8 | 1 | 33.8 | 33.5 | 33.5 | .3 |
| Finance, insurance, and real estate..... | 37.1 | 37.1 | 37.3 | 37.0 | 0 | 1 | 37.1 | 37.1 | 37.3 | 0 |
| Services..... | 34.1 | 34.0 | 34.1 | 34.2 | 1 | -1 | 34.1 | 34.1 | 34.2 | 0 |

¹ Data related to production workers in mining and manufacturing; to construction workers in contract construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately $\frac{3}{4}$ of the total employment on private nonagricultural payrolls.

² Preliminary.

TABLE B-3.—AVERAGE HOURLY AND WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS¹ ON PRIVATE NONAGRICULTURAL PAYROLLS, BY INDUSTRY

| Industry | Average hourly earnings | | | | | | Average weekly earnings | | | | | |
|--|-----------------------------|-----------------------------|--------------|----------------|----------------|----------------|-----------------------------|-----------------------------|--------------|----------------|----------------|----------------|
| | Decem-ber 1972 ² | Novem-ber 1972 ² | October 1972 | Decem-ber 1971 | Change from | | Decem-ber 1972 ² | Novem-ber 1972 ² | October 1972 | Decem-ber 1971 | Change from | |
| | | | | | Novem-ber 1972 | Decem-ber 1971 | | | | | Novem-ber 1971 | Decem-ber 1971 |
| Total private..... | \$3.73 | \$3.73 | \$3.74 | \$3.52 | \$0.00 | \$0.21 | \$139.50 | \$138.38 | \$139.50 | \$131.30 | \$11.12 | \$8.20 |
| Seasonally adjusted..... | 3.74 | 3.73 | 3.73 | 3.53 | .01 | .21 | 139.13 | 138.76 | 139.13 | 130.96 | .17 | 8.17 |
| Mining..... | 4.53 | 4.46 | 4.41 | 4.28 | .07 | .25 | 189.81 | 190.00 | 189.19 | 182.76 | 6.43 | 7.05 |
| Contract construction..... | 6.29 | 6.23 | 6.22 | 5.90 | .06 | .39 | 221.41 | 224.28 | 237.60 | 214.76 | 22.84 | 6.65 |
| Manufacturing..... | 3.95 | 3.89 | 3.86 | 3.69 | .06 | .26 | 163.93 | 159.49 | 157.49 | 150.18 | 7.31 | 13.75 |
| Durable goods..... | 4.21 | 4.14 | 4.11 | 3.92 | .07 | .29 | 178.50 | 173.05 | 170.57 | 162.29 | 5.45 | 16.21 |
| Ordnance and accessories..... | 4.18 | 4.13 | 4.13 | 3.98 | .05 | .20 | 183.08 | 175.11 | 175.11 | 168.75 | 7.97 | 14.33 |
| Lumber and wood products..... | 3.35 | 3.40 | 3.37 | 3.19 | .05 | .16 | 133.67 | 138.72 | 139.52 | 130.15 | 9.37 | 3.52 |
| Furniture and fixtures..... | 3.14 | 3.12 | 3.12 | 2.98 | .02 | .16 | 127.80 | 127.61 | 127.30 | 121.88 | 5.42 | 5.92 |
| Stone, clay, and glass products..... | 4.01 | 4.00 | 4.02 | 3.74 | .01 | .27 | 167.62 | 167.60 | 170.85 | 155.58 | 15.27 | 12.04 |
| Primary metal industries..... | 4.85 | 4.79 | 4.74 | 4.49 | .06 | .36 | 213.89 | 203.10 | 197.66 | 184.09 | 10.79 | 29.80 |
| Fabricated metal products..... | 4.12 | 4.07 | 4.05 | 3.86 | .05 | .26 | 173.86 | 169.72 | 168.08 | 159.42 | 4.14 | 14.44 |
| Machinery, except electrical..... | 4.43 | 4.37 | 4.35 | 4.15 | .06 | .28 | 192.71 | 186.60 | 184.01 | 173.89 | 6.11 | 18.82 |
| Electrical equipment..... | 3.79 | 3.73 | 3.71 | 3.58 | .06 | .21 | 155.01 | 153.30 | 151.37 | 146.06 | 1.71 | 8.95 |
| Transportation equipment..... | 4.98 | 4.87 | 4.81 | 4.59 | .11 | .39 | 222.11 | 206.98 | 202.02 | 195.08 | 15.13 | 27.03 |
| Instruments and related products..... | 3.77 | 3.75 | 3.73 | 3.61 | .02 | .16 | 154.95 | 153.38 | 151.81 | 147.29 | 1.57 | 7.66 |
| Miscellaneous manufacturing..... | 3.20 | 3.16 | 3.13 | 3.06 | .04 | .14 | 127.04 | 125.45 | 123.64 | 120.87 | 1.59 | 6.17 |
| Nondurable goods..... | 3.57 | 3.54 | 3.52 | 3.37 | .03 | .20 | 143.51 | 141.60 | 140.10 | 134.13 | 1.91 | 9.38 |
| Food and kindred products..... | 3.73 | 3.66 | 3.63 | 3.52 | .07 | .21 | 152.56 | 148.23 | 146.65 | 142.91 | 4.33 | 9.65 |
| Tobacco manufactures..... | 3.57 | 3.48 | 3.38 | 3.29 | .09 | .28 | 121.02 | 121.80 | 124.38 | 118.77 | 2.53 | 2.25 |
| Textile mill products..... | 2.83 | 2.78 | 2.76 | 2.62 | .05 | .21 | 118.58 | 115.93 | 114.26 | 108.73 | 2.65 | 9.85 |
| Apparel and other textile products..... | 2.68 | 2.68 | 2.67 | 2.54 | 0 | .14 | 97.28 | 97.55 | 96.65 | 91.19 | 5.46 | 6.09 |
| Paper and allied products..... | 4.06 | 4.03 | 4.02 | 3.80 | .03 | .26 | 177.42 | 174.50 | 173.26 | 162.64 | 2.92 | 14.78 |
| Printing and publishing..... | 4.56 | 4.57 | 4.55 | 4.36 | -.01 | .20 | 175.10 | 175.03 | 172.90 | 165.68 | 7.07 | 9.42 |
| Chemicals and allied products..... | 4.33 | 4.29 | 4.28 | 4.06 | .04 | .27 | 184.03 | 179.75 | 179.76 | 170.11 | 4.28 | 13.92 |
| Petroleum and coal products..... | 5.03 | 5.01 | 5.01 | 4.64 | .02 | .39 | 215.79 | 211.92 | 213.93 | 196.27 | 3.87 | 19.52 |
| Rubber and plastics products, nec..... | 3.71 | 3.69 | 3.69 | 3.51 | .02 | .20 | 153.97 | 153.87 | 152.77 | 144.61 | 1.10 | 9.36 |
| Leather and leather products..... | 2.73 | 2.73 | 2.72 | 2.65 | 0 | .08 | 102.38 | 103.74 | 102.00 | 102.82 | -.16 | -.44 |
| Transportation and public utilities..... | 4.82 | 4.81 | 4.80 | 4.40 | .01 | .42 | 195.21 | 193.84 | 194.88 | 178.64 | 1.79 | 16.57 |
| Wholesale and retail trade..... | 3.06 | 3.07 | 3.06 | 2.91 | -.01 | .15 | 108.32 | 106.53 | 106.79 | 103.31 | 1.37 | 5.01 |
| Wholesale trade..... | 3.99 | 3.95 | 3.93 | 3.78 | .04 | .21 | 160.00 | 157.21 | 156.41 | 151.96 | 2.79 | 8.04 |
| Retail trade..... | 2.73 | 2.75 | 2.74 | 2.61 | -.02 | .12 | 92.82 | 91.30 | 91.24 | 89.00 | 1.52 | 3.82 |
| Finance, insurance, and real estate..... | 3.51 | 3.48 | 3.48 | 3.34 | .03 | .17 | 130.22 | 129.11 | 129.80 | 123.58 | 1.11 | 6.64 |
| Services..... | 3.26 | 3.25 | 3.24 | 3.09 | .01 | .17 | 111.17 | 110.50 | 110.48 | 105.68 | 4.80 | 5.49 |

¹ See footnote 1, table B-2

² Preliminary.

TABLE B-4.—HOURLY EARNINGS INDEX FOR PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE NONFARM INDUSTRIES, SEASONALLY ADJUSTED

[1967 equals 100]

| Industry | December 1972 ¹ | November 1972 ¹ | October 1972 | September 1972 | August 1972 | July 1972 | December 1971 | Percent change over month and year | |
|--|-------------------------------|-------------------------------|-----------------|-------------------|----------------|--------------|------------------|---------------------------------------|---------------------------------------|
| | | | | | | | | November 1972- December 1972 | December 1971- December 1972 |
| Total private nonfarm: | | | | | | | | | |
| Current dollars..... | 141.9 | 140.7 | 140.5 | 139.3 | 138.3 | 137.8 | 133.6 | 0.9 | 6.2 |
| Constant (1967) dollars..... | (²) | 110.8 | 111.0 | 110.4 | 110.1 | 110.0 | 108.6 | (³) ⁴ | (⁴) |
| Mining..... | 141.3 | 137.8 | 137.5 | 138.1 | 137.8 | 137.3 | 132.8 | 2.5 | 6.4 |
| Contract construction..... | 152.1 | 149.9 | 149.3 | 147.8 | 146.8 | 145.6 | 142.2 | 1.5 | 7.0 |
| Manufacturing..... | 139.4 | 137.8 | 137.5 | 136.7 | 135.9 | 135.3 | 131.3 | 1.2 | 6.2 |
| Transportation and public utilities..... | 149.1 | 148.5 | 148.3 | 145.6 | 145.1 | 144.0 | 136.0 | .4 | 9.6 |
| Wholesale and retail trade..... | 138.3 | 137.2 | 137.2 | 136.3 | 135.6 | 135.3 | 131.7 | .8 | 5.0 |
| Finance, insurance, and real estate..... | 136.2 | 135.0 | 135.5 | 134.8 | 133.6 | 133.9 | 129.5 | .9 | 5.2 |
| Services..... | 142.0 | 141.1 | 140.9 | 139.9 | 138.0 | 138.0 | 134.6 | .7 | 5.5 |

¹ Preliminary.

² Data is not available.

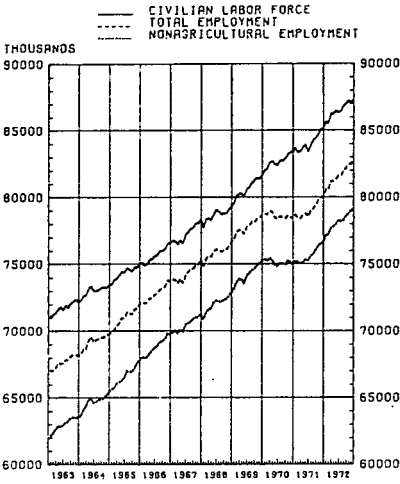
³ Percent change was -0.2 from October 1972 to November 1972, the latest month available.

⁴ Percent change was 3.1 from November 1971 to November 1972, the latest month available.

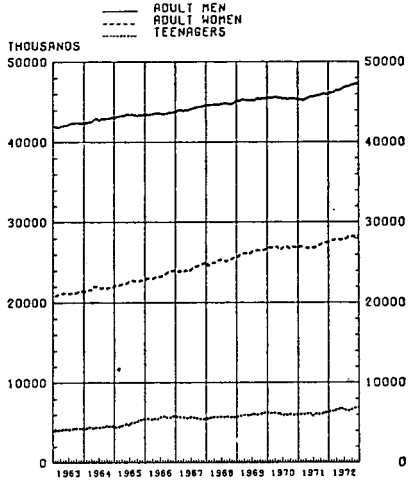
Note: All series are in current dollars except where indicated. The index excludes effects of 2 types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries. The seasonal adjustment eliminates the effect of changes that normally occur at the same time and in about the same magnitude each year.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

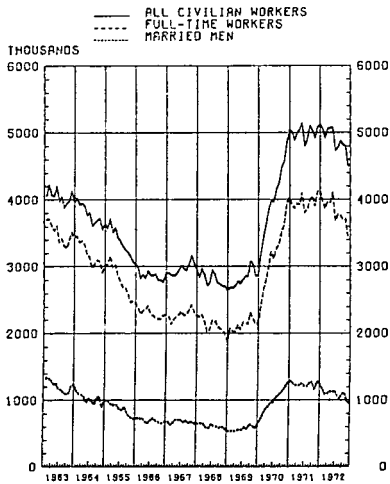
1. LABOR FORCE AND EMPLOYMENT



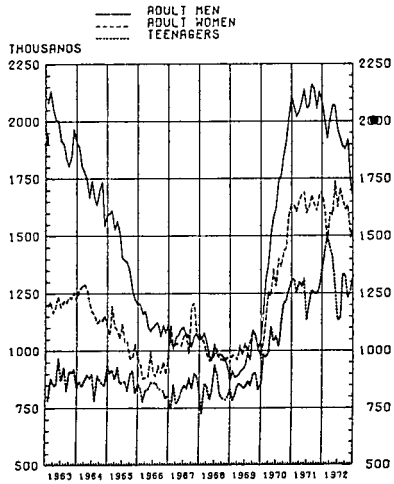
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

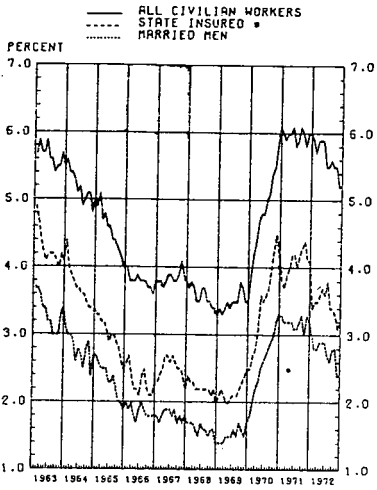


4. UNEMPLOYMENT

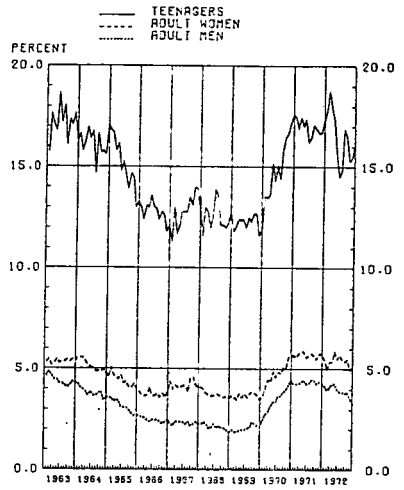


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

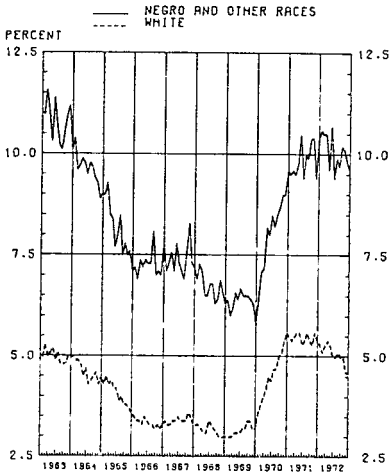
5. UNEMPLOYMENT RATES



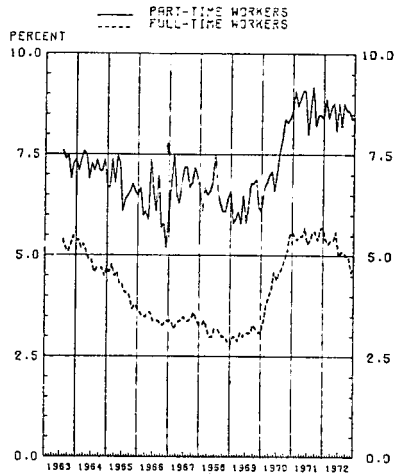
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES



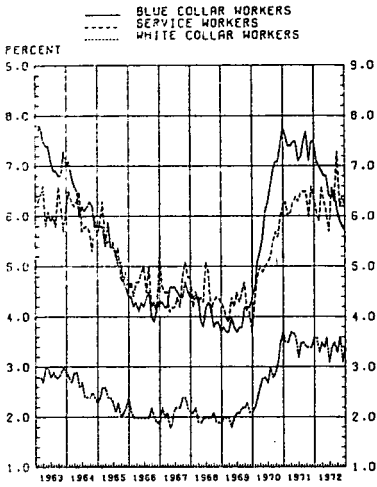
8. UNEMPLOYMENT RATES



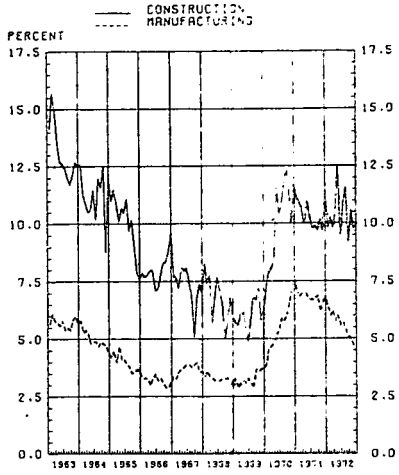
* State insured unemployment rate pertains to the week including the 12th of the month and represents the insured unemployed under State programs as a percent of average covered employment. The figures are derived from administrative records of unemployment insurance systems.

UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

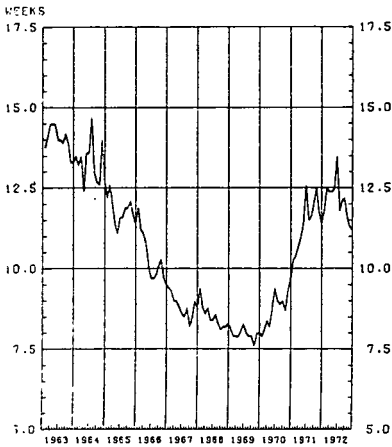
9. UNEMPLOYMENT RATES



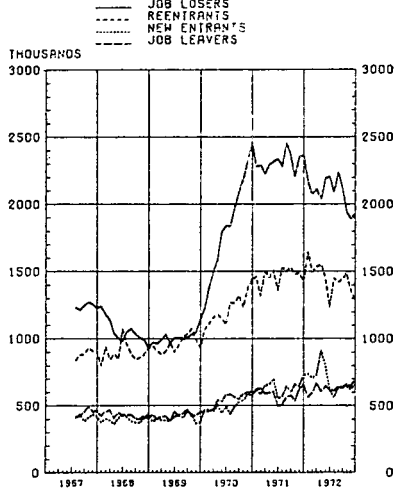
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT



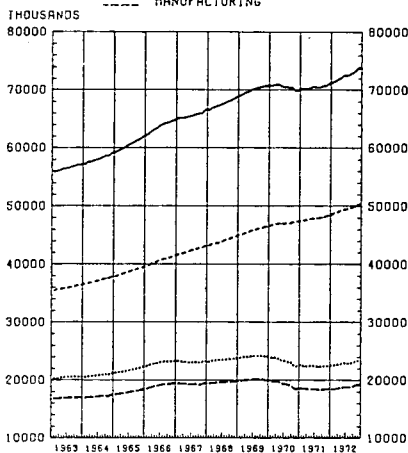
12. UNEMPLOYMENT BY REASON



NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

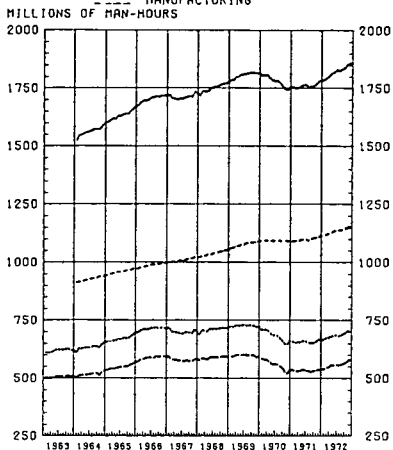
13. EMPLOYMENT

— TOTAL NONAGRICULTURAL
- - - SERVICE-PRODUCING
- · - · - GOODS-PRODUCING
- - - MANUFACTURING



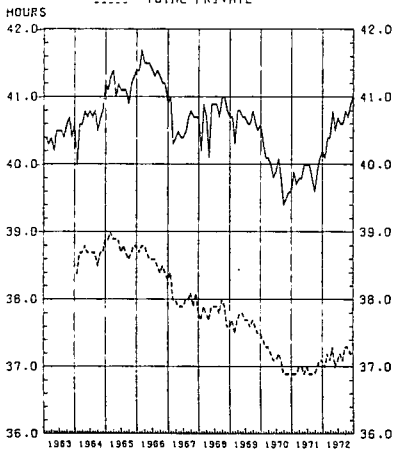
14. MAN-HOURS

— TOTAL PRIVATE NONAGRICULTURAL
- - - PRIVATE SERVICE-PRODUCING
- · - · - GOODS-PRODUCING
- - - MANUFACTURING

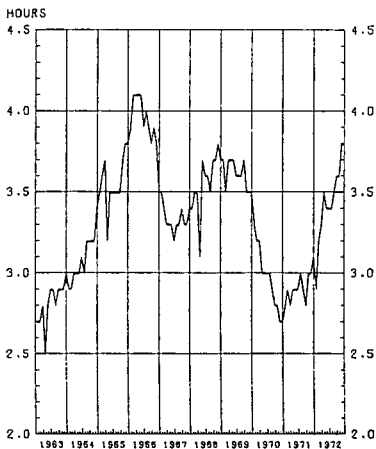


15. AVERAGE WEEKLY HOURS

— MANUFACTURING
- - - TOTAL PRIVATE



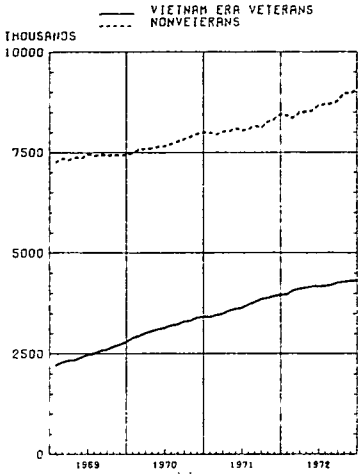
16. AVERAGE WEEKLY OVERTIME HOURS
IN MANUFACTURING



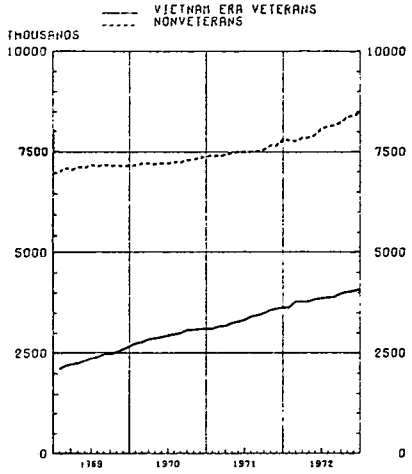
NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

VETERANS AND NONVETERANS, 20-29 YEARS
HOUSEHOLD DATA - SEASONALLY ADJUSTED

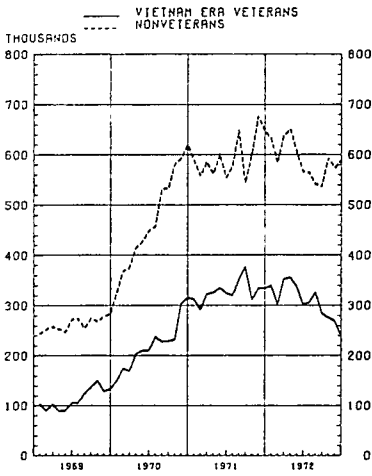
17. CIVILIAN LABOR FORCE



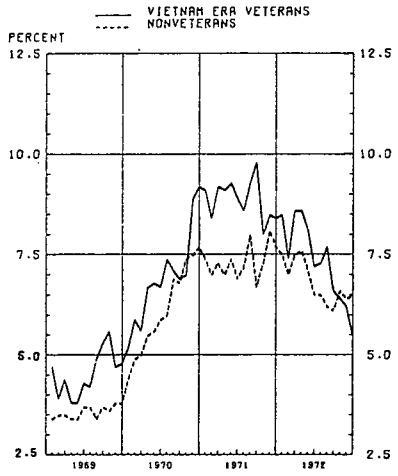
18. EMPLOYED



19. UNEMPLOYED



20. UNEMPLOYMENT RATE



MEASURES OF PRICE, WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE ECONOMIC STABILIZATION PROGRAM

1. SUMMARY

[Seasonally-adjusted percent change, compound annual rate]

| | 1969 | 1970 | 1971 Prior to Phase I | Phase I August to November 1971 | Phase II to November 1972 | Phases I and II to November 1972 |
|---|------|------|-----------------------------|--|------------------------------------|--|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Consumer Price Index: all items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.5 | 3.2 |
| Wholesale price index: industrial commodities..... | 3.9 | 3.6 | 4.7 | -.5 | 3.7 | 2.8 |
| Hourly earnings, private nonfarm production workers: | | | | | | |
| In current dollars..... | 6.5 | 6.8 | 7.1 | 3.1 | 7.1 | 16.3 |
| In constant dollars..... | .4 | 1.2 | 3.2 | 1.1 | 3.1 | 2.7 |
| Productivity and costs, private non- farm (quarterly): | | | | | | |
| Output per man-hour..... | -1.2 | 1.6 | 4.4 | 4.7 | 5.6 | 5.4 |
| Unit labor costs..... | 8.2 | 5.2 | 2.7 | .3 | .9 | .8 |

¹ Data through December 1972.

2. MONTHLY SERIES

[Seasonally-adjusted percent change, compound annual rate]

| | 12 months December 1968 to December 1969 | 12 months December 1969 to December 1970 | 8 months, prior to Phase I, December 1970 to August 1971 | 3 months, Phase I, August to November 1971 | 12 months, Phase II, November 1971 to November 1972 | 15 months, Phases I and II, August 1971 to November 1972 |
|---|--|--|--|--|--|--|
| Consumer Price Index: | | | | | | |
| All Items..... | 6.1 | 5.5 | 3.8 | 1.9 | 3.5 | 3.2 |
| Food..... | 7.2 | 2.2 | 5.0 | 1.7 | 5.4 | 4.7 |
| Commodities less food..... | 4.5 | 4.8 | 2.9 | 0 | 2.5 | 2.0 |
| Services ² | 7.4 | 8.2 | 4.6 | 3.1 | 3.5 | 3.5 |
| Rent ² | 3.8 | 4.5 | 4.3 | 2.8 | 3.3 | 3.2 |
| Wholesale price index: | | | | | | |
| All commodities..... | 4.8 | 2.2 | 5.2 | -.2 | 5.4 | 4.3 |
| Industrial commodities..... | 3.9 | 3.6 | 4.7 | -.5 | 3.7 | 2.8 |
| Farm products, processed foods, feeds ³ | 7.5 | -1.4 | 6.5 | 1.1 | 10.3 | 8.4 |
| Consumer finished goods..... | 4.9 | 1.4 | 4.1 | -1.1 | 4.2 | 3.2 |
| Consumer foods ³ | 8.2 | -2.5 | 6.8 | .3 | 7.3 | 5.8 |
| Consumer commodities exclud- ing food..... | 2.9 | 4.0 | 2.2 | -.4 | 2.2 | 1.7 |
| Producer finished goods..... | 4.6 | 4.9 | 3.7 | -2.0 | 2.5 | 1.6 |
| Spot market price index, indus- try materials ^{2,4} | 16.4 | -8.8 | -.4 | 3.1 | 23.1 | 18.8 |
| Private nonfarm production workers: | | | | | | |
| Earnings in current dollars: | | | | | | |
| Hourly ⁵ | 6.5 | 6.8 | 7.1 | 3.1 | 7.1 | 16.3 |
| Gross weekly..... | 6.2 | 4.1 | 6.9 | 5.8 | 6.9 | 16.7 |
| Spendable weekly ⁶ | 4.9 | 4.5 | 7.6 | 5.2 | 7.5 | 17.3 |
| Earnings in constant dollars: | | | | | | |
| Hourly ⁵ | .4 | 1.2 | 3.2 | 1.1 | 3.1 | 2.7 |
| Gross weekly..... | .1 | -1.3 | 3.0 | 3.8 | 3.5 | 3.6 |
| Spendable weekly ⁶ | -1.1 | -.9 | 3.7 | 3.2 | 4.2 | 4.2 |

² Not seasonally adjusted; data contain almost no seasonal movements.³ Raw agricultural products are exempt from the price controls.⁴ Weekly index, not a component of wholesale price index. Includes copper, lead and steel scrap, zinc, tin, cotton, print cloth, wool tops, burlap, hides, rubber, rosin, and tallow.⁵ Adjusted for overtime (manufacturing only) and for interindustry employment shifts.⁶ Gross weekly earnings, after taxes, for worker with 3 dependents. In annualizing the rates of change the effect of the change in tax rates at the beginning of 1972 is taken into account separately.

MEASURES OF PRICE, WAGE, AND PRODUCTIVITY CHANGE BEFORE AND DURING THE ECONOMIC
STABILIZATION PROGRAM—Continued

3. QUARTERLY SERIES

[Seasonally-adjusted percent change, compound annual rate]

| | IV--1968 to IV--1969 | IV--1969 to IV--1970 | IV--1970 to III--1971 | Phase I, III--1971 to IV--1971 | Phase II, IV--1971 to III--1972 | Phases I and II, III--1971 to III--1972 |
|---|-------------------------|-------------------------|--------------------------|--------------------------------------|---------------------------------------|--|
| GNP price deflators: | | | | | | |
| Total..... | 5.3 | 5.3 | 4.4 | 1.5 | 3.1 | 2.7 |
| Private, fixed weights..... | 5.1 | 4.5 | 4.5 | 1.5 | 3.3 | 2.8 |
| Personal consumer expenditures, fixed weights..... | 5.0 | 4.3 | 4.2 | 1.5 | 3.0 | 2.7 |
| Private nonfarm: | | | | | | |
| Hourly compensation..... | 6.9 | 6.8 | 7.2 | 4.9 | 6.6 | 6.2 |
| Output per man-hour..... | -1.2 | 1.6 | 4.4 | 4.7 | 5.6 | 5.4 |
| Unit labor costs..... | 8.2 | 5.2 | 2.7 | .3 | -.9 | -.8 |
| Unit nonlabor payments..... | -.9 | 5.4 | 5.5 | -.1 | 4.4 | 3.3 |
| Price deflator..... | 4.8 | 5.2 | 3.7 | .1 | 2.2 | 1.7 |
| Real hourly compensation..... | 1.0 | 1.1 | 3.2 | 2.6 | 3.1 | 3.0 |
| Corporate nonfinancial: | | | | | | |
| Hourly compensation..... | 7.1 | 7.4 | 7.3 | 3.7 | 6.6 | 5.8 |
| Output per man-hour..... | -.9 | 1.4 | 6.6 | 3.0 | 5.6 | 5.0 |
| Unit labor costs..... | 6.2 | 5.9 | .6 | .6 | -.9 | -.8 |
| Unit nonlabor costs..... | 7.9 | 10.1 | 3.3 | 3.6 | -.9 | -.2 |
| Total unit costs..... | 6.6 | 6.9 | 1.3 | 1.4 | -.4 | -.7 |
| Unit profits..... | -20.1 | -15.2 | 22.8 | -11.8 | 13.7 | 6.7 |
| Price deflator..... | 2.8 | 4.5 | 3.2 | 0 | 1.7 | 1.3 |
| Real hourly compensation..... | 1.2 | 1.6 | 3.3 | 1.4 | 3.4 | 2.6 |
| Mean percentage adjustment, decisions reached during period | | | | | | |
| | 1969 | 1970 | I and II--1971 | III and IV--1971 | I to III--1972 | III--1971 to III--1972 |
| Negotiated wage changes, all industries: | | | | | | |
| Wages and benefits, 1st year..... | 10.9 | 13.1 | 10.9 | 14.6 | 7 8.5 | 7 12.5 |
| Wages, 1st year..... | 9.2 | 11.9 | 10.2 | 12.9 | 7 7.2 | 7 10.7 |

7 Preliminary.

Source: Bureau of Labor Statistics, January 1973.

Mr. MOORE. Let me summarize quickly what this table shows. It brings up to date our various price and wage productivity indexes for the period immediately prior to the initiation of the economic stabilization program in mid-1971, the freeze period that followed thereafter, and phase II which came still later. The summary in the table shows that the consumer price index during phase II has risen at an annual average rate of 3.5 percent. If you include the freeze period that preceded phase II, the average rate of increase comes to 3.2 percent. Both these rates are smaller than the rates that preceded the initiation of the stabilization program and are markedly below where they were in 1969 and 1970.

In the case of the wholesale industrial commodities index, the freeze period of August to November 1971 actually reduced that index slightly. Since then it has risen at the rate of 3.7 percent per year, and including both the freeze and the post-freeze period, it has risen at the annual rate of 2.7 percent. The rate during phase II is not appreciably different from the rate of increase during 1969 and 1970. It is below the rate that immediately preceded the initiation of the freeze, when it got up to 4.7 percent.

I think one of the most interesting and important results shown in this table relates to wages, both in current dollars and in constant

dollars. There you see a substantial continuation of the rate of increase in current dollar earnings, averaging 7.1 percent at an annual rate during phase II, and 6.3 percent if you include the freeze that preceded that. Both of those rates are in the neighborhood of the rates of increase in current dollar earnings that were experienced in 1969 and 1970 and early 1971. Where the marked differences occurred are in the rates of increase in real earnings, that is what is left after the increase in prices, as represented in the consumer price index, has been taken out. And there during phase II we have had an advance at an annual rate of a little more than 3 percent per year as compared with a minute advance in real earnings during 1969, a little over 1 percent in 1970, and 3.2 percent in the period immediately prior to the stabilization program.

The figures on output per man-hour and the unit labor costs are also important because the rates of increase in output per man-hour have been approximately 5½ percent during the stabilization program, and coupled with the rates of increase in earnings that have been associated with them, there has been a marked decline in the rate of increase in unit labor costs or costs per unit of output in terms of labor expenditures. The rates of increase since the stabilization program began have been less than 1 percent per year as compared with 8 percent in 1969, and 5 percent in 1970.

There are a lot of other figures in these tables, Mr. Chairman, but I think I have summarized the most important ones.

Chairman PROXMIER. Well, thank you very much, Mr. Moore.

Mr. Moore, although you and I have disagreed about a number of things during your tenure as Commissioner of the Bureau of Labor Statistics, I am sure there is one thing on which we agree wholeheartedly, and that is the fine record of the Bureau of Labor Statistics and other statistical agencies for objectivity, independence, and integrity just has to be maintained.

It is my judgment that during the past 4 years the BLS has been subjected to political pressures which have made it difficult for you to maintain your independence and objectivity. The canceling of the monthly press conferences, the discontinuation of the regular publication of unemployment statistics for poverty neighborhoods, the demotion and forced retirement of BLS personnel, the cancellation of your plans to analyze the census data on employment in low-income areas—these are all results of political pressures which BLS has been improperly subjected. There have doubtless been many, many other examples of pressures to which you were subjected, which you successfully resisted, which have not become publicly known.

The danger now is that you will be replaced by someone who will not resist these pressures. I think we need to build safeguards into the system to prevent this from happening and I would like to get your thought on that, although I recognize, of course, you would not, as you have indicated to me before you would not, want to comment on your own situation.

Would you think, for example, that it might be desirable for the Commissioner of the Bureau of Labor Statistics to be appointed for a fixed term of, say, 7 years?

Mr. MOORE. Well, I have, Mr. Chairman, thought for some time that the coincidence of the appointment of the Commissioner with the Presidential term was not, on the whole, a good thing. It would be

better, I believe, if that term differed in some respect. Now, lengthening it to some other interval like 5 or 7 years would be certainly one way to accomplish that.

Chairman PROXMIRE. That is good to hear. We do have the custom, of course, of Commissioners who have served a number of administrations, I know some of your predecessors have done that, served Democratic and Republican administrations for a number of years and that has been, in my view, a very satisfactory way to operate this particular kind of service.

How about requiring, this would be an unusual kind of departure and something you may want to think about rather than comment on directly, the Commissioner to be chosen from a list of qualified candidates drawn up by an advisory committee composed of professional economists and other social scientists or a statistical group of some kind? Would you have other suggestions, perhaps?

Mr. MOORE. Well, I believe that the statistical profession should take an active interest in the candidates and qualifications of the candidates who are proposed for statistical jobs in the Federal Government.

I have, as you know, been associated with the American Statistical Association. I was president of it in 1968. On occasions when questions about appointments of officials in the statistical agencies come up I believe the professional associations should take an active interest in that. I believe they have done so in the past and are probably doing so now. That seems to me to be part of their job—to watch the statistical agencies and what is going on in them—and I know that all of them do take an active interest in that.

Chairman PROXMIRE. Well, that is very helpful. I was suggesting something a little more precise and formal in saying that there should be a panel of outstanding independent statisticians, economists who would recommend a list and from that list the Commissioner would be chosen, but I realize that would be, quite a departure and an unusual limitation on the power of the President, but this is an extraordinary kind of an office. It is one of the very, very few offices that I think everybody, everybody, would agree our interest would be served if it were isolated from any kind of partisanship.

Mr. MOORE. Well, I have not thought about that particular way of doing it, Mr. Chairman, but I do believe that suggestions by the professional associations with regard to candidates ought to be sought and probably are being sought.

Chairman PROXMIRE. Mr. Moore, I do not know whether you saw the article by J. A. Livingston on your resignation, he is an eminent commentator and financial writer, and it was a great tribute to you and, without objection, I will have that printed in full in the record at this point.

(The article follows:)

[From the Philadelphia Inquirer, Dec. 20, 1972]

MOORE OUSTER IRKS ECONOMISTS

(By J. A. Livingston)

"But whom can they possibly get to replace him. Who, of comparable eminence in statistics, now would take the job?"

That was the instant reaction of economists and statisticians to the astonishing news that President Nixon had accepted the pro-forma, end-of-the-term resignation of Geoffrey H. Moore as Commissioner of Labor Statistics.

"I'm disappointed that the Administration did not see fit to retain a man of his caliber," said William H. Shaw, president of the American Statistical Association, "and I am hopeful that the Administration will find a person of his stature as a replacement." Shaw is assistant to the treasurer of DuPont.

John R. Meyer, president of the National Bureau of Economic Research, with which Moore was associated before he went to Washington, declared:

"If ever a man was a perfect match for a job, Geoffrey Moore was for Commissioner of Labor Statistics. We'll welcome him back at the bureau if he decides to come."

A. Gilbert Heebner, senior vice president and economist of the Philadelphia National Bank, formerly on the staff of the Council of Economic Advisers as assistant first to Paul W. McCracken and then to Herbert Stein, said:

"Geoffrey Moore is a person of exceptional talent, integrity, and stature. His departure would be a loss to any statistical organization."

How surprisingly it came about! And how ironically. On Friday, Dec. 8, Moore testified before the Joint Economic Committee. Rep. Henry Reuss (D., Wis.), paid him this compliment: "I hope you're around as Commissioner of Labor Statistics for 20 years."

Six days later, Moore got his "Dear John" telephone call. Maybe approbation from a Democrat is the exit line for a Republican appointee.

I checked with Rep. Reuss to make sure his was not a Congressional courtesy. He responded: "Not at all. Moore is a competent professional. He's always dealt fairly and honestly with the committee."

When Chairman William Proxmire of the Joint Economic Committee, also a Democrat from Wisconsin, heard of Moore's firing, he said:

"The inclusion of Commissioner Moore in the current reshuffle of political appointees increases public anxiety about our basic statistics. Both the public and private sectors of our economy depend on accurate, unbiased and objective data, free of political management. Many millions of dollars in private contracts and public programs are determined by price, wage, and unemployment figures prepared at the Bureau of Labor Statistics."

It's an understatement to say that Moore was taken aback by his "disappointment." He had planned to stay on. And had reason to think he would. The BLS commissionership is a position considered above politics.

Moore's statistical competence, professional integrity, and immaculate objectivity have been recognized by his peers. He is a past president of the American Statistical Association. And for many years he was director of research of the National Bureau of Economic Research, renowned the world over for its saintly attitude toward data.

At the 50th anniversary celebration of the Bureau in 1970, Moore, Arthur F. Burns, chairman of the Federal Reserve Board, and Solomon Fabricant, now a professor of economics at New York University, were honored for their "high standards of objectivity, the quality of their own research and their overseeing the bureau's research programs over many years."

Economists and statisticians in government are shocked. None to whom I talked would be quoted in any fashion. One said, "Joe, mention me in your column about Moore, and you'll find my name in the Jobs-Wanted section of newspapers."

Under any circumstances, Moore would be a hard man to follow. But now it will take a giant of a man in competence, impartiality, and integrity to overcome the political suspicion that will attach to any Nixon appointee to the post.

Chairman PROXMIRE. Let me just note two other very brief comments and I will quote them. One is as follows:

"I am disappointed that the administration did not see fit to retain a man of his caliber," said William H. Shaw, President of the American Statistical Association. "and I am hopeful that the administration will find a person of his stature as a replacement." Mr. Shaw is assistant to the treasurer of Du Pont and, as I say, president of the American Statistical Association.

John R. Meyer, president of the National Bureau of Economic Research, with which you were associated before you went to Washington, declared:

"If ever a man was a perfect match for a job, Geoffrey Moore was for Commissioner of Labor Statistics. We'll welcome him back at the Bureau if he decides to come."

Now, Mr. Moore, according to this morning's release labor force growth in 1972 amounted to 2.1 million persons. This force growth in 1972 amounted to 2.1 million persons. This compares to 1.3 million in 1971 and 2.0 million in each of the previous 2 years. Your next sentence refers to this as an "upsurge." But, considering that 1972 was a year of recovery from a recession, is this labor force growth really extraordinary? It seems to me that we have had very large labor force growth for a number of years now, and this is a natural result of demographic factors and of the increased propensity of women to seek work. Is it not about time we recognized the existence of these basic factors and begin to deal with a situation in which we need to provide more jobs? I get the feeling that many people have an attitude that if we just wait it out, labor force growth may go away. It seems to me like a head in the sands attitude.

Last February the Monthly Labor Review published an article by Professor Finegan of Vanderbilt University, which estimated labor force growth and showed that we would need very large gains in employment in order to get unemployment down—and his estimates were in terms of reducing unemployment only to 4½ percent, which is a rather modest target in any view. At any rate, would you agree with Professor Finegan that we are going to continue to need very large gains in employment in order to get unemployment down?

Mr. MOORE. I believe we are going to need substantial gains in employment but I would also point out that we have had substantial gains in employment. During the past year particularly the rate of gain has been almost unprecedented in the number of people with jobs.

Chairman PROXMIRE. I pointed out it was a gain of 2.1 million in 1972 compared to 2 million in labor force growth. So it has been the same. You are right about the growth in jobs.

Mr. MOORE. I am saying that employment has had an extraordinary rate of growth.

Chairman PROXMIRE. Yes, that is true.

Mr. MOORE. And certainly that needs to be kept up if unemployment is going to be reduced substantially, since the labor force is growing at a fairly rapid rate, and our projections of the labor force have it continuing to grow, not quite as rapidly as in the last few years, but still at a fairly rapid pace.

One of the things that has been a special factor, of course, in the last 3 to 4 years has been the reduction in the armed forces. That has represented men who have been added to the civilian labor force, and that has enhanced the rate of increase in the civilian labor force over this period. So that, I think, is one of the special factors that has taken place.

Chairman PROXMIRE. Do you think there is a need to revise the estimates of potential GNP to take account of this rapid expansion of the labor force? The fact that we have so many people who are willing to work increases our economic potential. It seems to me our estimated GNP potential has not taken that into adequate consideration.

Mr. MOORE. I have not thought very closely about that. It has seemed to me, long before I became Commissioner, that the problem of estimating the potential GNP is a very difficult one, a very uncertain one. There are all sorts of problems connected with it, and not only these in connection with the estimates of the labor force. So I have very considerable reservations about that estimate in any case.

I would like to point out, and possibly, if you were willing, to put into the record, an analysis that I have made recently of the relation between the employment situation and the unemployment situation currently with what it was in 1955 when, by general admission, we were very close to a full employment situation.

Chairman PROXMIRE. I would be delighted to put that in the record, yes, indeed.

Mr. MOORE. Thank you very much.
(The analysis referred to follows:)

EMPLOYMENT AND UNEMPLOYMENT, 1955 vs. 1972

The risk of unemployment is not shared equally across the population. This was never more apparent than in 1972. In December, when the overall unemployment rate, after allowance for the usual seasonal variations, was 5.2 percent, it was 16 percent for teenagers, more than 8 percent for young men and women in their early twenties, over 4 percent for adult women, and less than 3 percent for adult men. What underlies these wide differences? Are they persistent or is this something new? Has the economy supplied adequate employment opportunities for some groups but not for others? How shall we regard the overall unemployment rate in the light of these differences?

Some perspective on these questions can be gained by looking at an earlier year. Take, for this purpose, the year 1955. It is generally remembered as a prosperous one. The Korean war had ended, and so had the recession of 1953-54. Output and employment were rising vigorously. The unemployment rate fell to 4 percent by mid-year, and the average for the year was 4.4 percent. In the early 1960's, when measures of the full employment level of GNP were developed by the Council of Economic Advisers, mid-1955 was taken as the base-point for the estimates. GNP in mid-1955 was considered to be at or very close to the full employment level.

Even in 1955, however, there were wide differences among the unemployment rates for different groups in the labor force. The teenage rate was 11 percent. For young men 20-24 years of age, the rate was nearly 8 percent, and for young women, 6 percent. Women 25 years old and over experienced an unemployment rate of 4 percent. For men 25 and over, who constituted three-fifths of the labor force, the rate was 3.4 percent.

During the next 17 years the population and the labor force grew, but the growth rates differed widely among the different groups. The teenage population grew by 80 percent, men and women 20-24 by about 70 percent, women 25 and over by 24 percent, and men 25 and over by 17 percent. In four of the five groups the civilian labor force grew faster than the population. Only in the case of men 25 and over did the labor force grow less rapidly than the population of the group. Thus by far the largest relative increases in both population and labor force took place among the groups that, in 1955, had the highest unemployment rates.

These large increases in the population and labor force of teenagers, younger men and women, and adult women were accompanied by large increases in the number actually employed. In each case, employment rose faster than the population of the group, so the percentage of the population employed increased. Thus

the job market adapted to a very considerable extent to the shifts in the supply of different age-sex groups of workers. Overall, a larger proportion of the population was employed in December 1972 (56 percent) than in 1955 (55 percent).

Nevertheless, the number of those without a job and seeking work—i.e., the unemployed—rose faster than the number employed, except for the slowest growing group, the men 25 and over. As a result the rapidly growing groups now have higher unemployment rates than in 1955, while the largest and slowest growing group has a lower unemployment rate. Indeed, there were actually fewer men 25 and over unemployed at the end of 1972 than in 1955.

It appears, then, that for the largest group in the labor force, men 25 and over, the current employment situation is better than in the "full employment" year 1955. More are employed and fewer unemployed. Is the employment situation for the other groups worse than it was in 1955?

The fact that more women, teenagers and young men are employed relative to their population suggests that employment opportunities are not lacking, and the fact that more have work may be one of the factors inducing more to seek work. Unemployment results not only from workers losing their jobs—it comes about also because workers seek better jobs, or seek jobs after a period of being out of the labor force, or seek jobs for the first time. When more people do this, it may be a sign of better rather than poorer employment conditions. The quit rate, for example, generally increases when employment conditions improve and workers see more job opportunities around. In manufacturing, in fact, the quit rate is higher now than it was in 1955.

The involuntary loss of a job is the dominant reason for unemployment only among men 25 and over. On an annual basis in 1972, 71 percent were job losers. But job losers constituted only 19 percent of unemployed teenagers, 28 percent of unemployed women 20-24, 45 percent of unemployed men 20-24, and 45 percent of unemployed women 25 and over. Because these groups were relatively less numerous in 1955, the proportion of job losers among the unemployed was probably higher then than now, and the job loser rate about the same as now. A rough check is provided by the insured unemployment rate, because of the large overlap between job losers and the insured unemployed. The insured unemployment rates in 1955 and in December 1972 were 3.5 and 3.2 percent, respectively. In terms, then, of those who became unemployed because they lost their job, the current situation seems very similar to that in 1955.

The higher overall unemployment rates for women, younger men and teenagers in December 1972 than in 1955 are not, therefore, altogether unambiguous. The rapid growth in their employment suggests there must have been substantial growth in job vacancies suitable to their capacities. We can get a crude indication of trend from the ratio of help-wanted ads to unemployment, which is now somewhat above the 1955 level. By this measure, vacancies have risen about as fast since 1955 as the overall level of unemployment, though not as rapidly as the unemployment of women and teenagers.

The upshot seems to be that whereas job opportunities for teenagers, women and young men have grown rapidly, the growth has not kept pace with the growth in the number of them who have entered the labor market. The extraordinary growth in labor supply of these groups has, therefore, resulted in higher percentages unemployed.

These shifts, therefore, have tended to increase the disparities among the unemployment rates for different population groups. They have also lifted the overall unemployment rate. The fact that the Nation's unemployment rate in December 1972 was 5.2 percent, as compared with 4.4 percent in 1955, is largely attributable to the changed composition of the labor force: groups with higher unemployment rates in both years are now a larger fraction of the labor force. If the December 1972 unemployment rates were weighted by the 1955 labor force proportions, the overall unemployment rate in December 1972 would have been 4.5 percent, or nearly the same as in 1955.

CHANGES IN EMPLOYMENT AND UNEMPLOYMENT, 1955-DECEMBER 1972

| Age and sex groups | Thousands | | Percent of total | | Percent change 1955 to December 1972 | Percent of population | |
|--|----------------|------------------|------------------|------------------|--|--------------------------|------------------|
| | 1955 | December 1972 | 1955 | December 1972 | | 1955 | December 1972 |
| Total noninstitutional population, 16 years and over: | | | | | | | |
| Both sexes, 16 to 19 years..... | 8,813 | 15,942 | 8 | 11 | 81 | 100.0 | 100.0 |
| Women, 20 to 24 years..... | 5,342 | 9,084 | 5 | 6 | 70 | 100.0 | 100.0 |
| Men, 20 to 24 years..... | 5,339 | 9,137 | 5 | 6 | 71 | 100.0 | 100.0 |
| Women, 25 years and over..... | 47,919 | 59,582 | 43 | 41 | 24 | 100.0 | 100.0 |
| Men, 25 years and over..... | 45,317 | 53,178 | 40 | 35 | 17 | 100.0 | 100.0 |
| Total..... | 112,732 | 145,923 | 100 | 100 | 30 | 100.0 | 100.0 |
| Civilian labor force: | | | | | | | |
| Both sexes, 16 to 19 years..... | 4,092 | 8,316 | 6 | 10 | 103 | 46.4 | 52.2 |
| Women, 20 to 24 years..... | 2,445 | 5,393 | 4 | 6 | 121 | 45.8 | 59.4 |
| Men, 20 to 24 years..... | 3,221 | 6,971 | 5 | 8 | 116 | 60.3 | 76.3 |
| Women, 25 years and over..... | 16,380 | 24,519 | 25 | 28 | 50 | 34.2 | 41.2 |
| Men, 25 years and over..... | 38,886 | 42,279 | 60 | 48 | 9 | 85.8 | 79.5 |
| Total..... | 65,023 | 87,337 | 100 | 100 | 34 | 57.7 | 59.4 |
| Employment: | | | | | | | |
| Both sexes, 16 to 19 years..... | 3,642 | 6,988 | 6 | 8 | 92 | 41.3 | 43.8 |
| Women, 20 to 24 years..... | 2,297 | 4,897 | 4 | 6 | 113 | 43.0 | 53.8 |
| Men, 20 to 24 years..... | 2,973 | 6,385 | 5 | 8 | 115 | 55.7 | 69.9 |
| Women, 25 years and over..... | 15,705 | 23,460 | 25 | 28 | 49 | 32.8 | 39.4 |
| Men, 25 years and over..... | 37,553 | 41,139 | 60 | 50 | 10 | 82.9 | 77.4 |
| Total..... | 62,170 | 82,812 | 100 | 100 | 33 | 55.1 | 56.4 |
| Unemployment: | | | | | | | |
| Both sexes, 16 to 19 years..... | 450 | 1,328 | 16 | 29 | 195 | 5.1 | 8.3 |
| Women, 20 to 24 years..... | 148 | 496 | 5 | 11 | 235 | 2.8 | 5.5 |
| Men, 20 to 24 years..... | 248 | 586 | 9 | 13 | 136 | 4.6 | 6.4 |
| Women, 25 years and over..... | 675 | 1,059 | 24 | 23 | 57 | 1.4 | 1.8 |
| Men, 25 years and over..... | 1,333 | 1,140 | 47 | 25 | -14 | 2.9 | 2.1 |
| Total..... | 2,853 | 4,525 | 100 | 100 | 59 | 2.5 | 3.1 |
| Unemployment rate:¹ | | | | | | | |
| Both sexes, 16 to 19 years..... | 11.0 | 16.0 | ..... | ..... | 25.0 | ..... | ..... |
| Women, 20 to 24 years..... | 6.1 | 9.2 | ..... | ..... | 23.1 | ..... | ..... |
| Men, 20 to 24 years..... | 7.7 | 8.4 | ..... | ..... | 2.7 | ..... | ..... |
| Women, 25 years and over..... | 4.1 | 4.3 | ..... | ..... | 2.2 | ..... | ..... |
| Men, 25 years and over..... | 3.4 | 2.7 | ..... | ..... | 2.7 | ..... | ..... |
| Total..... | 4.4 | 5.2 | ..... | ..... | 2.8 | ..... | ..... |

¹ Unemployment as percent of civilian labor force.² Change in unemployment rate.Note: All data for December 1972 are seasonally adjusted, except for the population figures, which do not require it^{*}

Source: Bureau of Labor Statistics, U.S. Department of Labor—January 1973.

Mr. MOORE. One of the points about this is that unless you look at different parts of the labor force, and the different unemployment rates of different groups in the labor force, you may get a very misleading impression as to what is going on.

For example, the unemployment rate for men 25 years and older in November, and I am pretty sure this would be true in December, although I do not have the figures in front of me, is now lower than it was in 1955. Now that is a very substantial part of the total labor force, males 25 years and older, they are now experiencing an appreciably lower unemployment rate now than they were in 1955.

Now, that is entirely offset, and more than offset, by the fact that the unemployment rates for teenagers are higher than they were in 1955, and also the rates for young women and young men, and older women are higher than they were in 1955. That fact, in turn, seems to me to be in part due to the very great increase in the labor force of those groups.

The males 25 and older have not increased rapidly in their numbers in the labor force, and they have been more or less completely absorbed in terms of employment. It is the very rapid growth in the other groups that accounts for the higher unemployment rate now than was true in 1955, by about seven or eight-tenths of a percent.

Chairman PROXMIRE. My time is just about up. Before I yield to Congressman Reuss I would like to ask another question, the unemployment rate averaged 5.3 percent in the fourth quarter. That is a definite improvement over the 5.6 percent average in the previous quarter, and that, of course, is encouraging. But the rate is still far higher than it ought to be. And some groups do not seem to be participating in what improvement there has been. This is apropos of what you just said, and I note this morning in the release that you have given us, the unemployment rate for teenagers is 16 percent in December and an increase of, I think, seven or eight-tenths of a percent in the last month, which I would think would be statistically significant. At any rate, it is six-tenths of a percent, which is a rather sharp increase, and for blacks for the fourth quarter it was nearly 10 percent.

The prospects for further reduction in unemployment are not very encouraging. Even forecasts which are highly optimistic in other respects do not predict much drop in unemployment. Time magazine's board of economists, for example, predict a 6.2 percent growth of real output in 1973, yet they predict that unemployment will still average 4.9 percent next year.

Why is it proving so difficult to get unemployment down?

Mr. MOORE. Well, first, let me remark that the increase in the teenage unemployment rate in December was not a statistically significant increase.

Chairman PROXMIRE. Even though it was six-tenths of a percent.

Mr. MOORE. Yes. It requires 1.2 percent, almost twice that, to be statistically significant. But, at any rate, it is a high rate, fluctuating at a relatively high level, albeit somewhat lower than it was in early 1972 and in 1971. I do not want to get into the business of forecasting on my last appearance before this committee, any more than I did on earlier occasions, but let me make one observation. This is definitely not a forecast, but if we had the same improvement in the unemployment rate next year, during the course of 1973, as we had during the course of 1972, the rate towards the end of 1973 would be in the neighborhood of 4½ percent. That is, we have had a reduction of about eight tenths of 1 percent in the unemployment rate between December of 1971 and December of 1972. Another eight tenths would bring us down to close to 4½ percent.

Now, I am not predicting that that is going to happen, but I think it is something of a commentary on the kind of improvement that has taken place this year.

Chairman PROXMIRE. Congressman Reuss.

Representative REUSS. Thank you, Mr. Chairman.

I want to join the Chairman, Mr. Moore, in wishing you all the best and expressing our appreciation—the appreciation of the Joint Economic Committee—for your very helpful appearance before this committee.

A month ago when you were here I said quite sincerely that I looked forward to seeing you here for many more years of helpfulness, and I was most surprised and disappointed when I found that you would

not be. Your qualities of gumption and integrity are apparently not qualities currently desired in the executive branch. But I want you to know that as far as this committee is concerned, you leave us with your head held high and we wish you all the best.

I would have just one question. It is frequently said, particularly in the better men's clubs of this country, that there really is not much of an unemployment problem; that all you have to do is to look at the help wanted columns in the daily newspapers. In most cities there are quite a few such ads and, therefore, it is inferred by whoever is doing the talking that unemployment occurs just because people are lazy and will not take these jobs that are offered.

In this week's U.S. News & World Report, Mr. Albert Rees, who is the head of the Economic Department at Princeton, suggests that one of the reasons for these rather numerous help wanted ads in the daily press is that there are various regulations and customs with respect to minority unemployment by an employer. He suggests that an employer who in another day would have simply looked at his list of people who wanted particular jobs and then called them directly when a job opening appeared now finds it is better practice to put an ad in the paper so that all may read it and applaud it. Therefore, suggests Mr. Rees, the plethora of help wanted ads does not really mean that there are all that number of good jobs going begging, and that when somebody answers those help wanted ads he all too often finds that the early bird has caught the worm.

Can you comment on that? Particularly, has the BLS done anything about analyzing the customs and traditions with respect to running help wanted ads in the newspapers? There may be something new here that has come upon us.

Mr. MOORE. I did not see Mr. Rees' comment but the fact is that the Bureau of Labor Statistics has not analyzed that point.

I would say this, though, that the improvement in help wanted advertising, that is the increase in the number of ads that appear in the newspapers and which are compiled by the Conference Board in New York seems to me to be about normal for this kind of an employment-unemployment situation. There has been a substantial increase in help wanted advertising, and it does not seem to me that it is extraordinarily large in relation to past experience in similar circumstances.

Furthermore, the Bureau of Labor Statistics—

Representative REUSS. Could I interrupt you at that point?

Mr. MOORE. Yes.

Representative REUSS. Mr. Moore, why do you say that? Why is the increase in help wanted ads not extraordinarily large by contrast with similar past years?

Mr. MOORE. Well, simply that when you look at other periods of economic expansion during the postwar period, and this index of help wanted advertising is available for the whole post-war period, you see rates of increase similar to those we have had in the last year and a half.

Representative REUSS. This is the Conference Board's index?

Mr. MOORE. This is the Conference Board's index.

Representative REUSS. I am not sure that some of us on the committee are familiar with that. Would you be good enough to submit for the record, and I am sure with your past or future connections with the board you will be able to do that, their latest index so we can savor it?

Mr. MOORE. Surely, we will submit a table showing you that index. (The table referred to follows:)

INDEX OF HELP-WANTED ADVERTISING IN NEWSPAPERS
[1957-59=100]

| Year | Janu-ary | Febru-ary | March | April | May | June | July | August | Sep-tember | Octo-ber | No- vember | Decem-ber |
|------|----------|-----------|-------|-------|-----|------|------|--------|------------|----------|------------|-----------|
| 1945 | 202 | 202 | 204 | 204 | 189 | 191 | 211 | 189 | 165 | 162 | 167 | 161 |
| 1946 | 154 | 143 | 152 | 151 | 130 | 145 | 153 | 148 | 144 | 143 | 141 | 137 |
| 1947 | 133 | 134 | 131 | 126 | 121 | 117 | 115 | 123 | 141 | 135 | 130 | 125 |
| 1948 | 120 | 117 | 110 | 110 | 110 | 109 | 108 | 109 | 115 | 106 | 99 | 89 |
| 1949 | 87 | 75 | 74 | 70 | 70 | 66 | 63 | 62 | 60 | 58 | 55 | 54 |
| 1950 | 63 | 64 | 66 | 68 | 70 | 74 | 80 | 92 | 93 | 100 | 98 | 95 |
| 1951 | 116 | 116 | 121 | 117 | 121 | 114 | 116 | 118 | 117 | 120 | 122 | 120 |
| 1952 | 129 | 125 | 120 | 122 | 121 | 121 | 122 | 123 | 132 | 136 | 138 | 138 |
| 1953 | 133 | 135 | 141 | 139 | 134 | 129 | 123 | 118 | 113 | 103 | 95 | 86 |
| 1954 | 84 | 80 | 78 | 77 | 75 | 78 | 77 | 77 | 75 | 76 | 82 | 84 |
| 1955 | 90 | 99 | 99 | 101 | 105 | 109 | 113 | 120 | 120 | 123 | 129 | 134 |
| 1956 | 128 | 134 | 130 | 132 | 132 | 128 | 124 | 126 | 124 | 132 | 130 | 126 |
| 1957 | 132 | 126 | 124 | 119 | 118 | 111 | 114 | 109 | 107 | 99 | 90 | 87 |
| 1958 | 81 | 75 | 71 | 70 | 70 | 72 | 76 | 77 | 81 | 84 | 88 | 94 |
| 1959 | 93 | 99 | 104 | 111 | 111 | 116 | 118 | 115 | 116 | 112 | 115 | 117 |
| 1960 | 117 | 117 | 113 | 111 | 109 | 107 | 102 | 101 | 97 | 94 | 92 | 89 |
| 1961 | 87 | 86 | 88 | 88 | 91 | 95 | 95 | 99 | 100 | 107 | 110 | 109 |
| 1962 | 113 | 113 | 113 | 112 | 116 | 113 | 112 | 111 | 109 | 108 | 107 | 107 |
| 1963 | 108 | 108 | 109 | 109 | 108 | 108 | 111 | 109 | 110 | 112 | 111 | 116 |
| 1964 | 116 | 115 | 117 | 121 | 122 | 127 | 129 | 128 | 130 | 130 | 134 | 134 |
| 1965 | 137 | 143 | 146 | 146 | 152 | 155 | 153 | 158 | 165 | 170 | 180 | 184 |
| 1966 | 186 | 190 | 200 | 193 | 196 | 197 | 199 | 196 | 194 | 194 | 193 | 192 |
| 1967 | 191 | 189 | 184 | 185 | 184 | 184 | 181 | 187 | 187 | 187 | 187 | 188 |
| 1968 | 191 | 191 | 194 | 197 | 197 | 197 | 204 | 208 | 218 | 223 | 222 | 225 |

[1967=100]

| | | | | | | | | | | | | |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| 1969 | 120 | 123 | 124 | 126 | 125 | 122 | 122 | 120 | 126 | 122 | 119 | 117 |
| 1970 | 109 | 109 | 103 | 99 | 95 | 92 | 91 | 89 | 85 | 77 | 78 | 80 |
| 1971 | 75 | 77 | 78 | 78 | 79 | 83 | 85 | 85 | 80 | 80 | 81 | 85 |
| 1972 | 85 | 87 | 90 | 93 | 93 | 96 | 103 | 106 | 99 | 104 | 104 | ----- |

Source: The Conference Board. Data are adjusted for seasonal variations.

Mr. MOORE. The other point I was going to make is this: The Bureau of Labor Statistics does collect information on job vacancies. The ones that we have been publishing regularly since early 1969 relate only to manufacturing industries. Job vacancies in manufacturing have been rising at a rapid pace, very similar to the behavior of help wanted advertising which, of course, covers a wide variety of industries other than manufacturing. And, furthermore, in the sampling of other industries outside of manufacturing, where we have some information on job vacancies, we find a similar rate of increase; that is, very similar to that in the help wanted ads. So that in comparison with this entirely independent source of information on the jobs that are seeking workers, if you like, we do not find the behavior of the help wanted advertising figures very unusual.

Representative REUSS. Let me pursue the job vacancy indicator that you have just mentioned. Is this a BLS figure?

Mr. MOORE. Yes, sir.

Representative REUSS. Is it in the press release today?

Mr. MOORE. It is not in this press release. It is in another release that we issued a week or 2 ago.

Representative REUSS. Have you got it with you?

Mr. MOORE. Yes, I have.

Representative REUSS. Let us talk about it. Have you got an extra copy?

Mr. MOORE. We have the figures here.

Representative REUSS. What is the job vacancy rate today and what was it in, let us say, January 1969?

Mr. MOORE. The earliest figures that we have relate to the last 8 months of 1969.

Representative REUSS. You did not have this series before that?

Mr. MOORE. No, we did not publish the series before that. We had been conducting some experimental surveys before that but the first published figure is for April 1969. And those figures in the latter part of 1969 show a rate of job vacancies of 1.2 percent or 1.2 vacancies per 100 employees at work.

Now, there was a very sharp drop in that rate to about a half of 1 percent, 0.5, during 1970, and throughout 1971. But then there was a pickup, and it began to rise in early 1972, and the October figure, which is the latest one I have in this booklet, was 0.8. I believe in the release that I gave you there is a November figure—0.8, I believe.

Representative REUSS. This little chart, which shows a downward trend, punctuated only by a slight dip recently, I do not think very encouraging. It shows that in the spring of 1969 there were about 1.40 job vacancies per 100 employees, a job vacancy being a job opportunity chasing a presently nonexistent employee. That went down, down, down, down, and stayed down on the floor at one-half of 1 0.50. It is now off the floor a little bit, but it is still just about half of what it was in the spring of 1969. So that even today job vacancies, jobs chasing employees, are only half of what they were when the new Nixon economics set in. That is not very joyous.

Mr. MOORE. Well, they are certainly not back to where they were in 1969, no question about that, in the manufacturing sector of the economy. Of course, during 1970 and 1971, the manufacturing sector of the economy showed a decline in employment that was sharper than in the rest of the economy by a large fraction. So the vacancies certainly dropped very rapidly then in manufacturing, and they have risen since at a fairly steady clip, but they have not reached their previous levels.

Representative REUSS. No.

Mr. MOORE. I might say almost exactly the same thing is true of help wanted advertising, if I may get back to that.

Representative REUSS. Yes, the conference board's series you are talking about.

Mr. MOORE. The conference board's series.

Representative REUSS. Yes, let us superimpose that on this and see what we learn. Give me the rates for a similar period, if you have them, starting with April or May 1969. What does the index reflect?

Mr. MOORE. Well, I am sorry, I do not seem to have the figures here. I do recall this, however, since I was looking at them earlier today, that the low point in help wanted advertising in that index by the conference board, was reached during 1971 at a level of about 75. I do not remember the figures before that but it has now gone back to a level of about 100. So here has been a substantial increase of about one-third in that index of help wanted advertising. I simply cannot recall but

I would supply it for the record, what the levels of that index were in 1969.

Representative REUSS. Well, Mr. Chairman, I ask unanimous consent that the press release dated December 30, 1972, which contains the job vacancy rate table, be included in the record at this point.

Chairman PROXMIER. Without objection.
(The press release referred to follows:)

[Department of Labor Press Release No. 72-857, Dec. 30, 1972]

**JOB VACANCIES, HIRES, QUILTS, AND LAYOFFS IN MANUFACTURING: IN
NOVEMBER 1972**

The demand for factory labor strengthened in November, the U.S. Department of Labor reported today. Factory vacancies and the new-hire and quit rates rose, while the layoff rate remained at its lowest level in nearly 20 years.

Hires, quits, and layoffs

Total accessions to manufacturers' payrolls, which include new hires, recalls, and transfers from other establishments within the same company, remained essentially unchanged in November at 47 per 1,000 workers, seasonally adjusted. However, factory hires posted a sizeable increase—from 35 to 38 per 1,000—as the new-hire rate reached its highest level since mid-1969. New hires were 8 per 1,000 higher than in November 1971.

Layoffs in manufacturing industries were unchanged over the month at 9 per 1,000 (seasonally adjusted), the lowest level since January 1953.

The factory quit rate, which partially reflects worker assessment of job opportunities, rose 2 per 1,000 workers over the month. Quits have increased 5 per 1,000 over the year and are at the highest level since early 1970.

Job vacancies

Job vacancies in manufacturing industries totaled 156,000 (seasonally adjusted) at the end of November, an increase of 11,000 from October. The November rise continued the upward trend that has persisted throughout 1972. Job vacancies were 54,000 higher than they were in November 1971. The job-vacancy rate remained unchanged at 8 per 1,000 factory jobs, continuing at its highest point since early 1970. The rate of long-term vacancies (vacancies that had remained unfilled for a month or longer) also held steady over the month, at 2 per 1,000 jobs. Long-term vacancies as a percent of total vacancies rose for the fourth consecutive month and reached 30 percent in November.

TECHNICAL NOTE

Total accessions, new hires, total separations, quits and layoffs reflects the gross movement of wage and salary workers into and out of employment in individual establishments over the entire calendar month and are expressed as a rate per 100 employees. Job vacancies are the stock of unfilled job openings for which firms are actively trying to recruit new workers as of the close of the last business day of the reference month. The job vacancy rate is computed by dividing the number of job vacancies by the sum of employment and vacancies and multiplying the quotient by 100.

Labor turnover and job vacancy data are developed in a cooperative Federal-State program by the Department of Labor's Manpower Administration and Bureau of Labor Statistics with State employment security agencies. Summary data for the areas in the survey are compiled and published monthly in *Employment and Earnings*. In addition, cooperating State employment security agencies issue periodic releases on the labor turnover and job vacancy picture in the areas covered. Additional information on the concepts, methodology, and other technical aspects of the labor turnover-job vacancy programs is also contained in the technical note of *Employment and Earnings*.

TABLE 1.—JOB VACANCIES, HIRES, QUILTS, AND LAYOFFS IN MANUFACTURING

| Category | 1972 | | | | | | | | | | | 1971 | |
|---|----------------------------|--------------|----------------|--------|------|------|-----|-------|-------|---------------|---------|---------------|----------|
| | No- vember ¹ | Oc- tober | Sep- tember | August | July | June | May | April | March | Feb- ruary | January | De- cember | November |
| SEASONALLY ADJUSTED | | | | | | | | | | | | | |
| Job vacancies: | | | | | | | | | | | | | |
| Total vacancies (hundreds)..... | 156 | 145 | 137 | 130 | 130 | 127 | 118 | 117 | 111 | 106 | 98 | 93 | 92 |
| Job vacancy rate ² | .8 | .8 | .7 | .7 | .7 | .7 | .6 | .6 | .6 | .6 | .5 | .5 | .5 |
| Long-term vacancies (hundreds)..... | 41 | 40 | 39 | 36 | 35 | 34 | 33 | 32 | 30 | 29 | 27 | 26 | 25 |
| Long-term vacancy rate ³ | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .1 | .1 | .1 |
| Hire, quits, and layoffs: ⁴ | | | | | | | | | | | | | |
| Total accession rate..... | 4.7 | 4.6 | 4.3 | 4.7 | 4.3 | 4.0 | 4.7 | 4.3 | 4.4 | 4.4 | 4.4 | 3.9 | 4.1 |
| New hire rate..... | 3.8 | 3.5 | 3.2 | 3.4 | 3.2 | 2.9 | 3.5 | 3.2 | 3.1 | 3.0 | 3.0 | 2.7 | 2.8 |
| Total separation rate..... | 4.2 | 4.0 | 4.0 | 4.3 | 4.4 | 4.6 | 4.2 | 4.0 | 4.3 | 4.2 | 4.2 | 4.3 | 4.1 |
| Quit rate..... | 2.5 | 2.3 | 2.1 | 2.4 | 2.2 | 2.3 | 2.3 | 2.1 | 2.2 | 2.1 | 2.0 | 1.9 | 1.9 |
| Layoff rate..... | .9 | .9 | 1.0 | 1.0 | 1.2 | 1.4 | 1.0 | 1.1 | 1.2 | 1.2 | 1.3 | 1.4 | 1.4 |
| NOT SEASONALLY ADJUSTED | | | | | | | | | | | | | |
| Job vacancies: | | | | | | | | | | | | | |
| Total vacancies (hundreds)..... | 133 | 142 | 155 | 159 | 134 | 124 | 127 | 124 | 110 | 97 | 90 | 78 | 79 |
| Job vacancy rate ² | .7 | .7 | .8 | .8 | .7 | .6 | .7 | .7 | .6 | .5 | .5 | .4 | .4 |
| Long-term vacancies (hundreds)..... | 40 | 41 | 42 | 39 | 34 | 32 | 33 | 33 | 30 | 27 | 25 | 26 | 25 |
| Long-term vacancy rate ³ | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .2 | .1 | .1 | .1 | .1 |
| Hire, quits, and layoffs: ⁴ | | | | | | | | | | | | | |
| Total accession rate..... | 3.8 | 4.8 | 5.3 | 6.0 | 4.6 | 5.2 | 4.8 | 4.0 | 4.0 | 3.7 | 4.1 | 2.5 | 3.3 |
| New hire rate..... | 3.0 | 3.8 | 4.2 | 4.4 | 3.4 | 4.1 | 3.6 | 2.9 | 2.7 | 2.4 | 2.6 | 1.6 | 2.2 |
| Total separation rate..... | 3.8 | 4.3 | 5.3 | 5.4 | 4.8 | 4.2 | 3.9 | 3.7 | 3.8 | 3.5 | 4.0 | 3.8 | 3.7 |
| Quit rate..... | 2.0 | 2.5 | 3.4 | 3.6 | 2.2 | 2.2 | 2.2 | 2.0 | 1.9 | 1.6 | 1.7 | 1.2 | 1.5 |
| Layoff rate..... | 1.0 | .9 | .9 | .9 | 1.7 | 1.1 | .8 | 1.0 | 1.1 | 1.1 | 1.4 | 1.8 | 1.5 |

¹ Preliminary.

² Computed by dividing the number of job vacancies at the end of the month by the sum of employment and all job vacancies and multiplying the quotient by 100.

³ Computed by dividing the number of long-term job vacancies at the end of the month by the

sum of employment and all job vacancies and multiplying the quotient by 100. Long-term vacancies are those that have remained unfilled 30 days or more.

⁴ Total during the month per 100 employees.

TABLE 2.—HIRING, LAYOFF, AND QUIT RATES IN MANUFACTURING, BY MAJOR INDUSTRY GROUP¹ (NOT SEASONALLY ADJUSTED)

[Per 100 employees]

| Major industry group | Accession rates | | | | | | Separation rates | | | | | | | | |
|--|----------------------------|--------------|---------------|----------------------------|--------------|---------------|----------------------------|--------------|---------------|----------------------------|--------------|---------------|----------------------------|--------------|---------------|
| | Total | | New hires | | | | Total | | | Quits | | | Layoffs | | |
| | November 1972 ² | October 1972 | November 1971 | November 1972 ² | October 1972 | November 1971 | November 1972 ² | October 1972 | November 1971 | November 1972 ² | October 1972 | November 1971 | November 1972 ² | October 1972 | November 1971 |
| Manufacturing..... | 3.8 | 4.8 | 3.3 | 3.0 | 3.8 | 2.2 | 3.8 | 4.3 | 3.7 | 2.0 | 2.5 | 1.5 | 1.0 | 0.9 | 1.5 |
| Durable goods..... | 3.5 | 4.3 | 2.9 | 2.8 | 3.5 | 1.9 | 3.4 | 3.8 | 3.4 | 1.8 | 2.1 | 1.2 | .8 | .7 | 1.4 |
| Ordnance and accessories..... | (3) | 2.8 | 1.7 | (3) | 2.1 | 1.1 | (3) | 2.4 | 2.7 | (3) | 1.0 | .6 | (3) | .7 | 1.5 |
| Lumber and wood products..... | 4.7 | 6.1 | 4.1 | 4.1 | 5.4 | 3.5 | 5.4 | 5.9 | 4.7 | 3.3 | 4.1 | 2.6 | 1.1 | .7 | 1.4 |
| Furniture and fixtures..... | 5.4 | 7.3 | 4.8 | 4.9 | 6.7 | 4.2 | 5.0 | 6.3 | 4.7 | 3.4 | 4.6 | 2.8 | .6 | .5 | .8 |
| Stone, clay, and glass products..... | 3.1 | 4.0 | 3.1 | 2.7 | 3.3 | 2.2 | 4.4 | 3.9 | 4.1 | 2.0 | 2.2 | 1.5 | 1.6 | .8 | 1.8 |
| Primary metal industries..... | 2.6 | 3.2 | 3.0 | 1.8 | 2.3 | 1.0 | 2.3 | 2.9 | 3.6 | 1.0 | 1.2 | .7 | .6 | .7 | 2.2 |
| Fabricated metal products..... | (3) | 5.0 | 3.2 | (3) | 4.2 | 2.2 | (3) | 4.5 | 3.7 | (3) | 2.4 | 1.3 | (3) | 1.0 | 1.7 |
| Machinery, except electrical..... | 3.0 | 3.6 | 2.2 | 2.5 | 2.9 | 1.4 | 2.3 | 2.7 | 2.5 | 1.3 | 1.4 | .8 | .4 | .4 | 1.1 |
| Electrical equipment..... | (3) | 4.1 | 2.6 | (3) | 3.3 | 1.7 | (3) | 3.3 | 2.8 | (3) | 1.9 | 1.0 | (3) | .6 | 1.0 |
| Transportation equipment..... | (3) | 4.0 | 2.8 | (3) | 2.8 | 1.5 | (3) | 3.5 | 3.1 | (3) | 1.6 | .9 | (3) | 1.0 | 1.5 |
| Instruments and related products..... | 2.8 | 3.8 | 2.3 | 2.4 | 3.3 | 1.7 | 2.8 | 3.3 | 2.2 | 1.5 | 2.1 | .9 | .6 | .4 | .7 |
| Miscellaneous manufacturing..... | 5.1 | 6.4 | 4.4 | 4.5 | 5.8 | 3.5 | 6.4 | 5.6 | 5.7 | 3.3 | 3.4 | 2.4 | 1.9 | 1.2 | 2.5 |
| Nondurable goods..... | 4.1 | 5.3 | 3.7 | 3.1 | 4.2 | 2.6 | 4.4 | 5.1 | 4.2 | 2.4 | 3.0 | 1.9 | 1.3 | 1.3 | 1.6 |
| Food and kindred products..... | 4.8 | 7.5 | 4.7 | 3.4 | 5.4 | 3.1 | 6.4 | 8.0 | 6.1 | 2.7 | 3.9 | 2.2 | 3.1 | 3.2 | 3.2 |
| Tobacco manufactures..... | 3.6 | 4.7 | 4.7 | 3.0 | 3.4 | 3.0 | 6.5 | 5.1 | 5.8 | 1.4 | 2.2 | 1.1 | 4.4 | 2.0 | 3.9 |
| Textile mill products..... | 5.9 | 7.0 | 5.0 | 4.9 | 6.0 | 4.0 | 5.5 | 6.2 | 4.7 | 4.0 | 4.7 | 3.0 | .4 | .4 | .8 |
| Apparel and other textile products..... | 5.1 | 6.0 | 4.6 | 3.8 | 4.7 | 3.1 | 4.9 | 5.6 | 5.1 | 3.0 | 3.7 | 2.4 | 1.2 | 1.0 | 2.0 |
| Paper and allied products..... | 2.5 | 3.4 | 2.5 | 2.1 | 2.9 | 1.7 | 2.6 | 3.1 | 2.7 | 1.4 | 1.8 | 1.1 | .5 | .5 | 1.0 |
| Printing and publishing..... | 2.8 | 3.5 | 2.5 | 2.2 | 3.0 | 1.8 | 2.8 | 3.0 | 2.6 | 1.5 | 1.8 | 1.3 | .7 | .6 | .8 |
| Chemicals and allied products..... | 1.8 | 2.1 | 1.5 | 1.5 | 1.7 | 1.0 | 1.8 | 2.0 | 1.7 | .8 | 1.0 | .6 | .4 | .4 | .6 |
| Petroleum and coal products..... | 1.0 | 1.8 | 1.2 | .8 | 1.6 | 1.0 | 1.5 | 2.0 | 2.0 | .6 | .9 | .5 | .5 | .5 | .9 |
| Rubber and plastics products, n.e.c..... | 4.8 | 5.9 | 3.4 | 4.2 | 5.1 | 2.6 | 4.4 | 5.1 | 3.7 | 2.6 | 3.2 | 1.7 | .7 | .7 | 1.2 |
| Leather and leather products..... | 5.7 | 6.8 | 5.9 | 4.1 | 5.1 | 4.2 | 6.2 | 7.2 | 5.6 | 3.5 | 4.2 | 2.8 | 1.8 | 1.8 | 1.9 |

¹ Month-to-month changes in total employment in manufacturing as indicated by labor turnover rates are not precisely comparable with those shown by the Bureau's employment and payroll reports, as the former are based on data for the entire month, while the latter, for the most part, refer to a 1-week period which includes the 12th of the month. Employees on strike are not counted

as turnover actions. Explanatory notes outlining the concepts, methodology, and sources used in preparing labor turnover data are available on request.

² Preliminary.

³ Not available.

TABLE 3.—JOB VACANCY RATES AND PERCENTAGE DISTRIBUTION OF JOB VACANCIES IN MANUFACTURING, BY SELECTED INDUSTRY GROUP (NOT SEASONALLY ADJUSTED)

| Selected industry group | Job vacancy rate ¹ | | | Long-term vacancy rate ² | | | Long-term vacancies as a percent of total ³ | | | Percent distribution of job vacancies | | |
|---|-------------------------------|-----------------|------------------|-------------------------------------|-----------------|------------------|--|-----------------|------------------|---------------------------------------|-----------------|------------------|
| | November 4 1972 | October 1972 | November 1971 | November 4 1972 | October 1972 | November 1971 | November 4 1972 | October 1972 | November 1971 | November 4 1972 | October 1972 | November 1971 |
| Total manufacturing..... | 0.7 | 0.7 | 0.4 | 0.2 | 0.2 | 0.1 | 30 | 29 | 31 | 100.0 | 100.0 | 100.0 |
| Durable goods..... | .7 | .7 | .4 | .2 | .2 | .1 | 27 | 27 | 27 | 58.2 | 57.3 | 50.3 |
| Primary metal industries..... | .3 | .4 | .2 | .1 | .1 | (⁴) | 19 | 27 | 28 | 2.8 | 3.1 | 2.3 |
| Machinery, except electrical..... | .9 | .9 | .4 | .2 | .2 | .1 | 26 | 28 | 30 | 11.7 | 11.7 | 8.2 |
| Electrical equipment and supplies..... | .8 | .9 | .5 | .2 | .2 | .1 | 20 | 25 | 26 | 11.8 | 12.7 | 10.8 |
| Transportation equipment..... | .8 | .7 | .4 | .3 | .2 | .1 | 32 | 25 | 23 | 10.9 | 8.6 | 9.6 |
| Instruments and related products..... | .9 | 1.0 | .6 | .2 | .3 | .1 | 25 | 27 | 15 | 3.3 | 3.4 | 3.3 |
| Nondurable goods..... | .7 | .7 | .5 | .2 | .2 | .2 | 34 | 32 | 35 | 41.8 | 42.7 | 49.7 |
| Textile mill products..... | 1.2 | 1.4 | .8 | .3 | .4 | .2 | 25 | 26 | 25 | 9.3 | 9.8 | 10.3 |
| Apparel and other textile products..... | 1.5 | 1.4 | 1.0 | .7 | .6 | .5 | 49 | 44 | 52 | 15.3 | 13.7 | 18.0 |
| Printing and publishing..... | .4 | .4 | .3 | .1 | .1 | .1 | 27 | 23 | 24 | 3.1 | 3.1 | 4.2 |
| Chemicals and allied products..... | .5 | .5 | .3 | .1 | .2 | .1 | 28 | 33 | 28 | 3.8 | 3.4 | 4.1 |

¹ Computed by dividing the number of job vacancies at the end of the month by the sum of employment and all vacancies and multiplying the quotient by 100.

² Computed by dividing the number of long-term job vacancies at the end of the month by the sum of employment and all job vacancies and multiplying the quotient by 100. Long-term vacancies are those that have remained unfilled for 30 days or more.

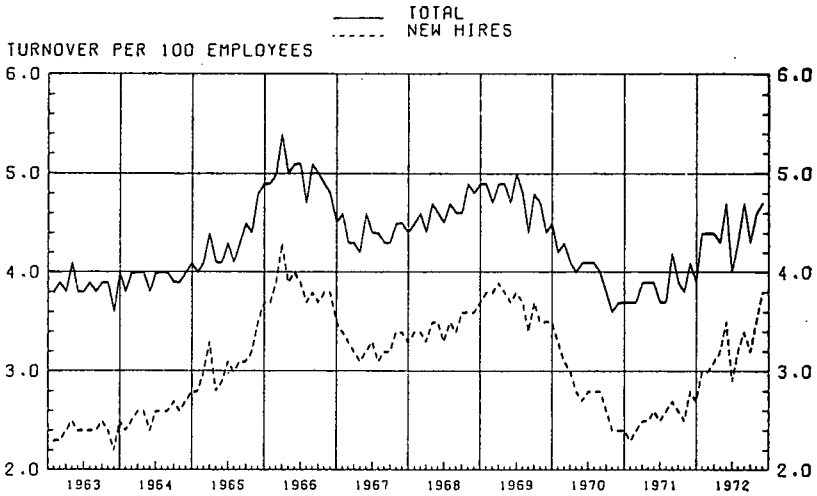
³ Percentages are computed by dividing the unrounded long-term job vacancy rates by the unrounded total job vacancy rates.

⁴ Preliminary.

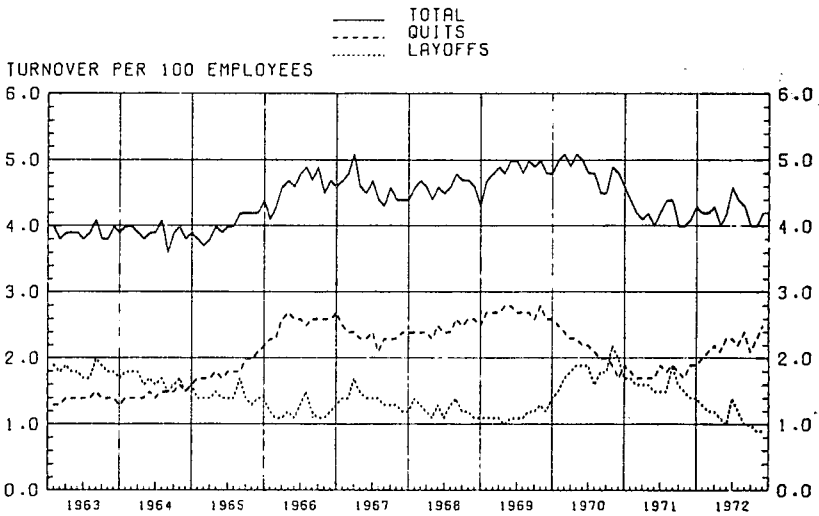
⁵ Less than 0.05 percent.

MANUFACTURING LABOR TURNOVER SEASONALLY ADJUSTED

ACCESSIONS

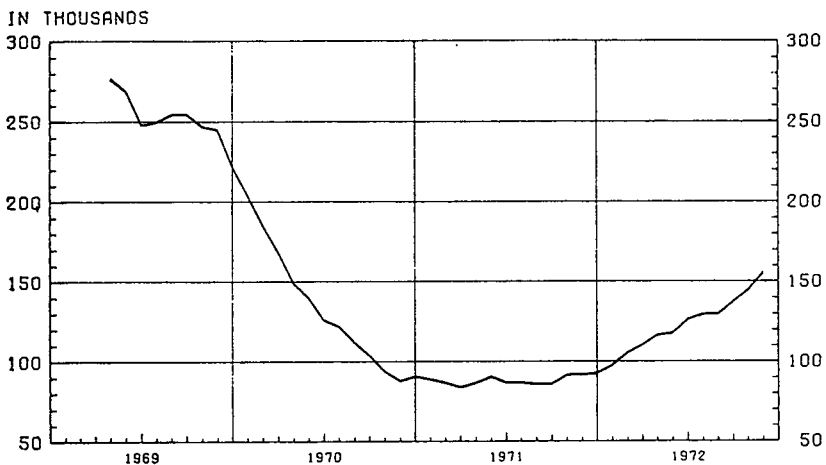


SEPARATIONS

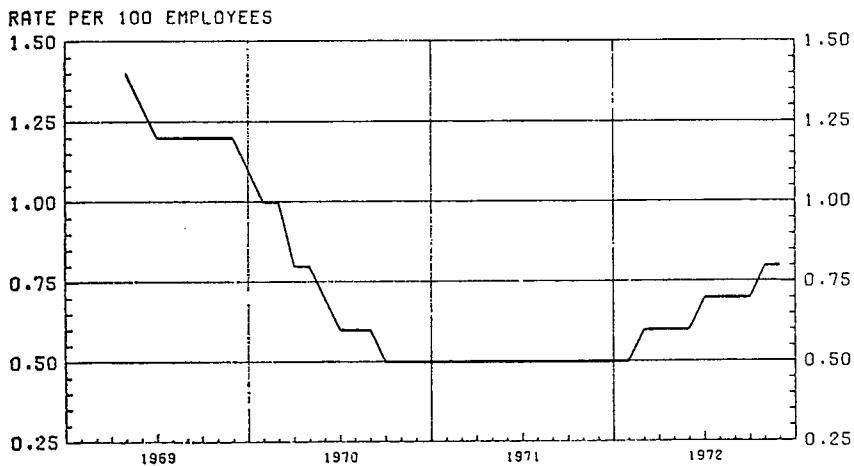


JOB VACANCIES IN MANUFACTURING
SEASONALLY ADJUSTED

NUMBER OF JOB VACANCIES



JOB VACANCY RATE



Representative REUSS. And also that the national conference board series on help wanted ads be included at this point and that the staff remind me to look at them both and see what was happening to these help wanted ads back in April 1969.

Were they double the present number? If so, the theory advanced by Professor Rees about minority unemployment would not get much nourishment, but it would be interesting perhaps, for both of us to see them. I will be grateful to you.

Thank you, Mr. Chairman.

Mr. MOORE. We will supply those figures.¹

Chairman PROXMIRE. It seems to me, Mr. Moore, that a great deal of the problem with the Nixon economic program is revealed by a study of the automobile industry. If you will recall on August 15 when the President made his announcement, shortly after that, it was disclosed that the automobile industry would be a great beneficiary of this and a great deal of hope for increased employment was in the automobile industry. When the excise taxes on autos was dropped the auto industry gained a great deal in competition from auto imports from the exchange rate changes which gave the cars produced in this country an advantage over imports; the investment credit proposal, of course, would benefit them as it would other manufacturing concerns and it was felt that this was an industry that would be especially benefited.

Now, what has happened to the automobile industry? There have been benefits and they have been very great. Profits of GM and Ford have gone up very sharply. Chrysler is doing much better than it was; American Motors, I am delighted to say, is doing much better. We have a situation also in which the people who work for these firms are doing a whale of a lot better. Overtime has gone up sharply. Increased employment, though, has been very disappointing. We had an 11½ million automobile year, the biggest year in history by far last year, and this year is going to be like it, but very little pick up in employment. It has barely reached prerecession levels. The Wall Street Journal had an article on that yesterday. What has happened is that those who were doing well in the automobile industry, including the workers, are doing better. But the hope that this was a way to put people back to work just has not been reflected.

Now maybe this is an industry which has been operating somewhat differently from others, but I think maybe this has been one of the results of the recovery so far. But we have relatively, and I stress relatively, little reaction in the providing of jobs that were expected to be provided, especially manufacturing, but a great improvement for the income of those who are in the industry. Is there not something to this?

Mr. MOORE. Well, I agree that there has been relatively little increase in employment in the automobile industry, though certainly a substantial increase in the hours of work and, therefore, in the amount of earnings that workers in that industry have taken home.

But, I think you also have to look beyond the automobile industry because it buys from a great many other industries. When the number of cars that are produced increases, the number of jobs that are provided in other industries increases, because of the purchases that are made by the auto industry from them—

¹ See table entitled "Index of Help-Wanted Advertising in Newspapers," p. 1253.

Chairman PROXMIRE. But is it not true that steel and suppliers of various kinds get a similar pattern, greater overtime, greater profits, greater advantage for those who are in the industry but not the kind of employment reaction we hoped for?

When you look at manufacturing generally, you see our production is up sharply, employment in manufacturing has not improved as much as it should on the basis of the expansion of production.

Mr. MOORE. Well, I think there has been a relatively rapid increase in employment, in manufacturing as a whole, and certainly it is not all tied to the automobile industry. There has been a fairly widespread improvement in manufacturing employment and a fairly rapid one. It has not gone back to the levels that it reached in 1968 and 1969 when it was supplying a much larger defense program and space program than is true today.

Chairman PROXMIRE. We have a larger country today and we still have a very active war going on, unfortunately, and we have a larger population, a more affluent population, than it was at that time, so that as you say, we have not recovered to even that level of 4 or 5 years ago.

We have had a tendency to grow in this country at a rate of 3 percent a year in real terms. That growth has not been reflected as much in manufacturing, perhaps.

Mr. MOORE. That is true. That has been true for quite a long time. The growth in employment has been largely in the service industries outside of manufacturing.

Chairman PROXMIRE. Before I get away from this I want to get back to this employment thing but I also want to get back to another aspect of it. I had my staff check this this morning, and they tell me that the Commissioner, your job is one that requires confirmation by the Senate, and I am happy to hear that. What committee do you appear before, the Labor Committee?

Mr. MOORE. It is the Labor Committee, yes, sir.

Chairman PROXMIRE. Well, I will be looking forward in a very interested way, and would be very interested in the appointment the President makes and will be examining that very carefully the reason being that, as I understand it, the Commissioner is not one who no matter how partisan he may be, how anxious he may be to give a good picture, he cannot change the statistics, is that right? There is no conceivable way that a Commissioner would be able to give you a 4½ percent unemployment when you have 5 percent or anything of that kind?

Mr. MOORE. No; that is absolutely impossible.

Chairman PROXMIRE. So the country should be made aware of the fact that whoever is Commissioner is not going to have that kind of discretionary power. He will not be in position either to give a distorted picture of price statistics, that is, he would not be able to change the figure, he might be able to distort the interpretation but not the figure.

Mr. MOORE. That is absolutely right. When you are surrounded by the kind of staff I have, and some of them are right here at this table, I could not get away with anything of that sort.

Chairman PROXMIRE. That is what I want to get to, when you are surrounded by the kind of staff you have. But what we want to make sure is to see that the staff is not decimated. One of the important

elements in having a Commissioner's respect is that he can attract and retain competent people who are conscientious as well as able, is that not correct?

Mr. MOORE. Surely, that is one of the Commissioner's jobs.

Chairman PROXMIRE. Is there not a danger in the forced retirement of people who make waves, if it should come to that? I am not charging it has come to that at all, but is that not a possibility, is that not the way you undermine this kind of an operation?

Mr. MOORE. Let me just say this. That I expect the next Commissioner, as has been true for many, many years in the past, will be a professional economist or statistician and have a standing in the profession. Since I expect that, I expect that the staff of the Bureau of Labor Statistics will be equally competent, and at least as competent as they are now.

Chairman PROXMIRE. Well, I expect that, too, and I hope that happens and I will do my best, as a Senator, since this requires Senate confirmation to try to assure that result. But I want to look at what we have to face as realistically as possible so we are well aware of what we have to fight for.

A Commissioner also is in a position where he can, I am not saying he has, he has not, in fact you certainly have not, and I think your predecessors have not, but it is possible to publicize the good news but not the bad; to speed up or delay release of data, is this not a possibility?

Mr. MOORE. Well, there are a great many controls over the Commissioner of Labor Statistics. Let me mention one of them. We have, and have had for many years, two important advisory committees. One is our Business Research Advisory Council, and the other is our Labor Research Advisory Council. The membership on these committees consists of economists and research directors, professional people. They keep a very close watch on both the labor side and the management side on what is happening within the Bureau of Labor Statistics. We have upward of 30 meetings a year with committees of these councils that deal with particular parts of our program. I think, and I know, that they would be the first to call public attention to anything of the kind that you have mentioned.

Chairman PROXMIRE. Well, there is just one other field that seems to me, that occurs to me just off hand that a Commissioner plays a very important part in. The Commissioner can make the decision to do or not to do special analyses of available data because results might be politically embarrassing. He might fail to seek funds needed to improve and expand programs because it might not be politically advantageous to have programs that might disclose information that would be embarrassing to an administration. Is that not possible?

Mr. MOORE. It is possible. As I say, the advisory committees and Councils of the BLS are one kind of safeguard that I think are very important. They are a safeguard against such action.

Chairman PROXMIRE. I want to serve notice this morning I intend to appear. I will ask Senator Williams, chairman of the Labor Committee, for permission to appear as a witness before the Labor Committee, whoever is chosen as Commissioner. I think we have had extraordinary cooperation with you and good experience with your predecessors and I think we should inform that Senate committee, and I

intend to inform them, of how very vital their job is to the credibility of our statistics and to the integrity of our statistics, and give as much of the kind of wisdom and reassurance that you have been able to give this committee as I can in trying to describe the kind of man we need and the kind of professionalism that we just have to have. And I intend to carry this to the floor of the Senate unless it is very clear that the man is a man of very high competence and of obvious dedicated integrity to stating the facts truthfully and honestly and fully.

Let me get back to the problem of getting unemployment down. Do you have some recommendations about aspects of this problem that we may have been neglecting? What additional information about the labor market should we be developing?

For example, do we know as much as we should about the probable growth of the labor force in the next few years? Not only how much it will grow, but who the new entrants will be and what kind of jobs they will be looking for?

Maybe I can help you by just going a little farther, in saying in 1970 the BLS published some very useful projections of future labor force growth. These have been widely used in analytical work. Our committee has found them very useful. However, these projections were made before the 1970 census data were available. Also, it has now become apparent that these projections underestimated the labor force participation of women. An article in the October Monthly Labor Review points out that the participation rate for women in 1970 was already above what BLS has projected for 1975. I wonder what plans you have for some revised labor force projections based on the information we now have.

Mr. MOORE. Well, we have some studies underway now making revisions in the projections and extending them farther into the future.

I would say this. I think it is vital in a statistical agency like the Bureau of Labor Statistics that it have an analytical function as well as a statistical collection and compilation function. The Bureau has for many years undertaken both those functions. It is not always easy to get the resources needed to carry out the analytical kind of studies that might be undertaken. I think that has been our hardest job. But I do think it is important to do that, and one reason is that it keeps the staff, a professional staff that is in charge of the numbers, interested in the numbers and interested in improving them, interested in seeing that they answer questions of the kind that you have just raised rather than simply keeping on collecting numbers.

So the analytical function is a vital one, and I would like to see it preserved and strengthened in the BLS in the future.

As I say, we have studies of projected labor force underway. I do not know at the moment what dates we may have in mind to issue any reports, but we will be coming out with them as soon as we are ready to release them.

Chairman PROXMIER. What plans do you have for developing additional data on discouraged workers and on underemployment? The 1970 census produced some valuable special data on the Employment Profiles of Selected Low-Income Areas. BLS canceled the plans it once had to do some analytical work with this data. What advice can you give us on making good use of this data? Are there research projects that this committee ought to undertake or encourage others to

undertake to make sure this data is utilized to help us understand the full dimensions of the employment problem in this country?

Mr. MOORE. I think studies of the characteristics of the unemployed and of those that are not in the labor force are needed. A great many such studies are going on outside the Government, in universities and in research institutions, like the National Bureau of Economic Research and elsewhere, but I do believe that that is important to carry on in a way that will sooner or later produce more current information and more widely used information on the needs and desires and interests of people with respect to employment.

We do have in the current employment survey now a very extensive collection of information. Much of it, I think, the public is not aware of. We do publish it, but it gets relatively little attention in the press or in other kinds of publications. I think the studies that are needed are of the kind that will bring to general attention the wide variety of circumstances that face people with respect to employment. It is not all just a matter of discouragement over finding a job. There may be a lack of encouragement with respect to looking for work that may have a bigger effect on labor force participation than discouragement of people who have looked and have not found what they want.

Chairman PROXMIRE. That is an interesting observation. What do you mean by encouragement, what kind of encouragement? Should it come from the Government? Should it come from business? What are you thinking of if you think it is something that we can stimulate and increase?

Mr. MOORE. Well, what I am trying to say is that a large part of the fluctuation that occurs in the labor force seems to be among people who might have entered the labor force but did not during a particular period, and then do so when economic conditions get better.

Chairman PROXMIRE. I see.

Mr. MOORE. They enter in larger numbers than they did before.

Chairman PROXMIRE. What you have in mind is maybe the housewife or the teenager who may or may not, is on the margin as to whether they need a job or not.

Mr. MOORE. Right, and they have alternatives.

Chairman PROXMIRE. And they will enter it if they are encouraged to see that there are lots of jobs available. A job that is easy and convenient and so forth, they may take it; if not they may choose to remain out of the labor force.

Mr. MOORE. Right. It is studies of those alternatives and what it is that motivates people under those circumstances that I am talking about.

Chairman PROXMIRE. I see.

In your press release you say the 1972 job pickup was the largest expansion since World War II. Would you not expect such an increase, with the labor force also growing over this period?

How does the increase compare, percentage-wise, with other periods of economic recovery? It seems to me, Mr. Moore, this has been one of the most anemic recoveries of the postwar period. Let me refer you to an article in the February 1972 Monthly Labor Review. From the first quarter of 1970 to the second quarter of 1971 there was virtually no increase in employment. In five previous recoveries the increases ranged from 1.3 to 4.7 percent. Would you have the data on the in-

crease in employment since the first quarter of 1970 to date, as compared to previous periods? I am talking about the percentage increase. You may say the number of jobs is the greatest because there are more people, the labor force is far greater.

Mr. MOORE. Let me say this: I do happen to have with me a table which shows the percentage increases in civilian employment, seasonally adjusted, from December to December of each year since 1959. Now the increase in 1972, from December 1971 to December 1972, was 3 percent. In the previous year it was 2.1 percent, and in the year before that there was a decline of 0.4 percent, and in 1969 there was an increase of 2.7 percent.

Now, the most recent of those figures, namely, the 3 percent, was exceeded in only one year, 1965, of the 13-year period that I have in front of me. So it is a relatively high rate of increase.

Chairman PROXMIRE. Yes, I think you are right. I think what we are talking about is just taking different periods. If you take 1972 it was, that one year was, a relatively high rate of increase. If you take the recovery over a longer period we are now in what, the more than 2 years recovery, are we not?

Mr. MOORE. December 1972 would be the 25th month, if my recollection is correct.

Chairman PROXMIRE. Yes. Over that it has not been nearly as impressive, has it?

Mr. MOORE. Well, I think there has been an impressive increase in employment during that period that stands up very, very well with other periods of recovery.

For example, let me go back to 1961, 1962, and 1963 in the table that is in front of me. In 1961—December 1960 to December 1961—the percentage increase in employment was 0.2 percent. Next year it was 1.6 percent, and the year after that it was 1.9 percent. It did not get up to the 3 percent level until 1965.

Chairman PROXMIRE. How about the unemployment rate for blacks, this is something that seems to be really shameful in our society. In December it was 9.6 percent, a real depression level. It was down two-tenths of a percent, the unemployment rate from November. Is this decline statistically significant?

Mr. MOORE. No, sir.

Chairman PROXMIRE. How much does the rate for blacks have to be in order to be significant, the rate of unemployment?

Mr. MOORE. 0.8 of a percent.

Chairman PROXMIRE. Unfortunately, blacks do not seem to be sharing in the unemployment rate improvement experienced by other workers. As the BLS press release said, "The Negro jobless rate, at 10 percent for the year, was virtually the same as their 1971 rate." You talk about the sharp improvement in overall unemployment between 1972 and 1971. Have you and your staff looked into the stickiness of the black rate for unemployment? I wonder if the gains of recent economic growth apply primarily to whites and, if so, what is the reason?

In the 15 years I have been in the Senate we passed all the civil rights legislation we have passed in the last 100 years. Many of them

are still cotroversial, but one of the most widely approved is the fair employment practices legislation designed, of course, to eliminate discrimination in jobs. There has been real progress in this area. I do not think anybody with eyes to see, who has gone around to plant gates or elsewhere has not seen there has been a great increase in the employment of blacks in manufacturing plants and in many, many other areas. And yet we have these figures that are so discouraging and do not show any real improvement. What is the reason and what can we do about it?

Mr. MOORE. Well, we have not made any studies of that particular problem. I believe it is a problem and I believe there is a difference in the improvement in the employment situation for blacks as compared with whites in this recovery period.

Chairman PROXMIRE. Do you have any plans or would you make any recommendations for study in this area? Eleven percent of our population is black. It has been a very, very difficult social problem, a welfare problem, a problem in so many ways.

We are especially conscious of it here in Washington and yet we have done so little about it.

Mr. MOORE. One thing that needs to be brought out is that the unemployment situation among different age-sex groups in the black labor force are very difficult.

Chairman PROXMIRE. You have more workingwomen, is that correct?

Mr. MOORE. You have more workingwomen.

Chairman PROXMIRE. More teenagers.

Mr. MOORE. You have basically more blacks interested in work. That is, if you look at our statistics on the number of blacks that want work in one way or another, whether or not they are seeking it, you find that is higher than for whites by a considerable margin.

Chairman PROXMIRE. Would your statistics show whether this has been changing, whether there has been primarily an increase in the black labor force with more blacks working or whether it has been a matter of unemployment increasing without that kind of a dynamic increase in—

Mr. MOORE. Yes; our figures definitely would show that.

Chairman PROXMIRE. Would show what?

Mr. MOORE. That is that there has been an increase in the—

Chairman PROXMIRE. Number of blacks working?

Mr. MOORE. Number of blacks working and seeking work, and I would be glad to put together some information on that.

Chairman PROXMIRE. We would appreciate that very much. What I wanted to have is what has happened to the black labor force, to the extent that you can give it to us, over the last 2 or 3 years.

Mr. MOORE. If I may say so we ought to look also at the people who are not in the labor force as well as those who are in.

Chairman PROXMIRE. Right.

Mr. MOORE. Who are interested in work.

(The following information was subsequently supplied for the record:)

EMPLOYMENT STATUS OF BLACK WORKERS, SEASONALLY ADJUSTED QUARTERLY AVERAGES, 1969-72

[Numbers in thousands]

| Quarter | Civilian labor force | Employment | Unemployment | Unemployment rate |
|----------|----------------------|------------|--------------|-------------------|
| 1969: | | | | |
| I..... | 8,890 | 8,340 | 550 | 6.2 |
| II..... | 8,870 | 8,286 | 584 | 6.6 |
| III..... | 8,978 | 8,395 | 583 | 6.5 |
| IV..... | 9,073 | 8,510 | 563 | 6.2 |
| 1970: | | | | |
| I..... | 9,188 | 8,552 | 636 | 6.9 |
| II..... | 9,225 | 8,466 | 759 | 8.2 |
| III..... | 9,208 | 8,429 | 779 | 8.5 |
| IV..... | 9,188 | 8,342 | 846 | 9.2 |
| 1971: | | | | |
| I..... | 9,270 | 8,386 | 884 | 9.5 |
| II..... | 9,272 | 8,351 | 921 | 9.9 |
| III..... | 9,388 | 8,442 | 946 | 10.1 |
| IV..... | 9,372 | 8,427 | 945 | 10.1 |
| 1972: | | | | |
| I..... | 9,506 | 8,503 | 1,003 | 10.6 |
| II..... | 9,577 | 8,631 | 946 | 9.9 |
| III..... | 9,591 | 8,637 | 945 | 9.9 |
| IV..... | 9,666 | 8,715 | 951 | 9.8 |

EMPLOYMENT IN PERSPECTIVE

UNEMPLOYMENT OF BLACK WORKERS

(U.S. Department of Labor, Bureau of Labor Statistics, Report 416,
October 1972)

Considerable discussion has been taking place in recent months concerning the definition of unemployment as it pertains to blacks, or other minority groups, or to disadvantaged groups in the community. Some have suggested that the definition now in use is too narrow and does not reflect the situation of those who have dropped out of the labor force or are underemployed in their present job. For example, a recent newspaper editorial¹ stated that the real issue "is not statistical method, but whether the government is trying to define black unemployment in a realistic way and with the kind of accuracy that will enable it to mount an effective attack on the problem." Since the Bureau of Labor Statistics has a major responsibility for such statistics, this article takes a look at the definition and some of the facts the Bureau provides. An earlier version of this article, by Commissioner of Labor Statistics Geoffrey H. Moore, appeared in the *Washington Post* September 11, 1972.

Black unemployment is defined in precisely the same way as white unemployment—the number of persons without a job who have been seeking work within the past 4 weeks and are available for work. This work-seeking, availability definition has been followed in essentially this form for more than 3 decades. The last official commission to consider the matter, appointed by the late President Kennedy in 1961, specifically recommended that this type of definition be retained in the interest of objectivity and of insuring that those counted as unemployed have had some recent contact with the job market.²

Need for work, therefore, because of the difficulty of measuring it objectively, does not enter into the definition of unemployment at all. The definition does not take into account what a person is doing to find work, whether he has turned down a job offer, whether he is rich or poor, whether he is getting unemployment insurance, whether his major activity is going to school, whether he wants a full-time or part-time job, or a temporary job, whether his spouse is working, or whether he quit his job, was laid off, or never had a job before. The definition rules out those who have given up seeking a job because they believe none is to be found, or for any other reason.

However, information is collected on this last point as well as most of the others and is published by BLS. From it, one can obtain a better indication of the character and dimensions of the unemployment problem than one can get from any single number such as the unemployment rate.

¹ *Washington Post*, August 10, 1972.

² President's Committee to Appraise Employment and Unemployment Statistics, *Measuring Employment and Unemployment* (Government Printing Office, 1962)—sometimes cited as the Gordon Committee report.

A useful way to put these numbers in perspective and get a comprehensive picture is to take them as a percentage of the population of working age, persons 16 and over. (See table on page 3.) In 1971, about 56 percent of the white population aged 16 and over was employed, compared with 54 percent for Negroes and other races. This may seem like a surprisingly small difference, in view of the more commonly cited figures about the black employment situation. Yet it is a fact that, year in and year out, somewhat more than half of the population over 16, both of blacks and whites, have jobs. The percentage, which is in effect employment per capita, has as a rule been higher for blacks than for whites, but not by more than a percentage point or two, but this ratio doesn't tell the whole story.

The percentage employed part-time because of slack work or other economic reasons in 1971 was twice as great for blacks (3.4 percent) as for whites (1.7 percent), even though the percentage working part-time voluntarily was smaller for blacks (5.7) than whites (6.4). Fewer blacks whose major activity was going to school were employed (0.9 compared with 1.6 percent), and relatively more were unemployed (0.5 compared with 0.3 percent). The proportion of blacks unemployed (5.9 percent) was nearly twice as large as that of whites (3.2 percent). The latter figures differ from the official unemployment rate, which is calculated by dividing the number unemployed by the civilian labor force (employed plus unemployed) rather than by the population. In 1971 the rate was 9.9 percent for blacks, 5.4 percent for whites.

In addition, more than twice as many blacks as whites, relatively, want a job now even though they are not actively seeking one. Lack of job availability is given as a reason for not seeking work by nearly 1 percent of black workers, but by only one-third of 1 percent of white workers. Much larger percentages, about 5 percent of blacks and 2½ percent of whites, are prevented from actively seeking work because they are in school, are ill, or have family responsibilities—even though they report that they do want work.

The figures also show that a larger proportion of blacks than of whites are job-oriented: Those employed plus those seeking work (unemployed) plus those wanting a job but not actually seeking one constituted 66 percent of the black population and 62 percent of the white population. This difference may reflect the greater affluence of the white population and, also, the greater prevalence among blacks of households headed by women, who therefore, work, seek work, or want work; but the figures help dispose of the myth that blacks are less interested in jobs than whites.

Clearly, besides the unemployed, there are groups which are likely to be aided by an increase in the demand for labor, notably those who are employed part-time for economic reasons and those who want work but are not actively seeking a job because they could not find one or think none is available. On the other hand, some groups who want work now may *not* be particularly helped by an increase in demand for labor, that is, those who want work but are prevented from seeking or accepting a job because of ill health or family responsibilities. Better health care facilities, or day care facilities, may be the essential solution in these cases.

Hence to combine into one statistic those who are seeking work and are available for work—that is, the unemployed—with those who want work but are not available does not help to clarify the issue. The numbers would be larger, but they would be less meaningful.

A further point is that if the unemployed concept is enlarged, the relative position of blacks and whites may not be greatly changed. For example, giving smaller weight among the unemployed to those who are seeking only part-time work, and at the same time including, also at a reduced weight, those who are employed part-time for economic reasons, as the BLS does in its published measure of percent of labor force time lost, will produce a larger percentage for both blacks and whites, and in about the same proportions. The same thing is true over time: Enlarging the concept now will produce larger numbers both now and in the past as well. The percentage of labor force time lost, for example, typically has run about half a percentage point higher than the official unemployment rate month after month for the past 8 years.

A government statistical agency should take great care in making changes in concepts, so that confidence in the integrity of the data is maintained and comparisons with earlier records are facilitated. At the same time, it must be alert to the need for new series. It also has an obligation to make data available in as much detail as is consistent with accuracy—and with a full explanation of the data's uses and limitations—so that those who wish to use them in various ways can do so.

CHARACTERISTICS OF THE WORKING AND NONWORKING POPULATION, 1971

| Employment status | Number (in thousands) | | Percent of population | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | White | Negro and other races | White | Negro and other races |
| 1. Employed: Total 16 years of age and over..... | 70,716 | 8,403 | 55.7 | 53.7 |
| Major activity—going to school..... | 1,993 | 141 | 1.6 | .9 |
| Major activity—other..... | 68,723 | 8,262 | 54.1 | 52.8 |
| Employed full time..... | 58,489 | 6,844 | 46.1 | 43.8 |
| Employed part time, voluntary..... | 8,116 | 889 | 6.4 | 5.7 |
| Employed part time, economic reasons..... | 2,119 | 529 | 1.7 | 3.4 |
| 2. Unemployed: Total 16 years of age and over..... | 4,074 | 919 | 3.2 | 5.9 |
| Major activity—going to school ¹ | 444 | 85 | .3 | .5 |
| Major activity—other..... | 3,630 | 834 | 2.9 | 5.3 |
| Seeking full-time job..... | 3,127 | 742 | 2.5 | 4.7 |
| Seeking part-time job..... | 503 | 92 | .4 | .6 |
| 3. Civilian labor force (lines 1 and 2)..... | 74,790 | 9,322 | 58.9 | 59.6 |
| 4. Armed forces..... | 2,499 | 318 | 2.0 | 2.0 |
| 5. Total labor force (lines 3 and 4)..... | 77,289 | 9,640 | 60.9 | 61.6 |
| 6. Not in labor force: Total..... | 49,670 | 5,997 | 39.1 | 38.4 |
| Want job now, but not seeking one because..... | 3,438 | 965 | 2.7 | 6.2 |
| Could not find job or think none available..... | 394 | 145 | .3 | .9 |
| Think cannot find job, personal reasons..... | 197 | 39 | .2 | .2 |
| In school..... | 973 | 268 | .8 | 1.7 |
| Ill health, family responsibilities, other..... | 1,876 | 512 | 1.5 | 3.3 |
| Do not want job now: Total..... | 46,231 | 5,028 | 36.4 | 32.2 |
| In school..... | 5,431 | 942 | 4.3 | 6.0 |
| Not in school..... | 10,800 | 4,086 | 32.1 | 26.1 |
| 7. Total noninstitutional population, 16 years of age and over..... | 126,959 | 15,637 | 100.0 | 100.0 |

¹ Category limited to persons 16 to 21 years of age; 93 percent of whites and 90 percent of Negro and other races in this group were employed part time, voluntarily.

² Category limited to persons 16 to 21 years of age; 86 percent of whites and 81 percent of Negro and other races in this group were seeking part-time jobs.

Chairman PROXMIRE. Now, I just want this for the record: After rising steadily from mid-1971 to mid-1972 the number of discouraged workers dropped almost 100,000 between the second and the third quarters of 1972. What is your total for discouraged workers in the fourth quarter? Do you have that now, 715,000 discouraged workers in the third quarter of 1972. We do not have it for the fourth quarter.

Mr. KAITZ. Some tabulations have not yet been received by us.

Chairman PROXMIRE. What is that?

Mr. KAITZ. Some of the tabulations that come to us from the Census Bureau have not yet arrived.

Chairman PROXMIRE. So you have not yet put that together, I see. Will you supply that for the record?

Mr. KAITZ. Yes.

(The following information was subsequently supplied for the record:)

DISCOURAGED WORKERS, SEASONALLY ADJUSTED QUARTERLY AVERAGES, 1970-72

[In thousands]

| Year | I | II | III | IV |
|-----------|-----|-----|-----|-----|
| 1970..... | 582 | 621 | 668 | 689 |
| 1971..... | 778 | 743 | 795 | 766 |
| 1972..... | 802 | 816 | 715 | 743 |

Source: Current Population Survey, U.S. Department of Labor, Bureau of Labor Statistics, January 1973.

Chairman PROXMIRE. I recently have become very, very concerned about rising interest rates and it has become a situation where I think we have to act. There has been great reluctance on the part of Mem-

bers of Congress, including this Senator, to treat interest rates the same as other prices, although they affect prices. We have given the administration the authority to do this, and they have chosen to have a committee which was a committee on the basis of job holding and not on moving in and fixing interest rates and limiting the increases and so forth.

In this morning's newspaper, the New York Times has a fascinating article. I will read the first brief paragraphs because I think it discloses the really tough problem that the Federal Reserve has:

Monetary expansion threatened to run at excessive rates this week, data published yesterday by the Federal Reserve System indicated.

In an apparent effort to hold down the rate of increase in interest rates in the open market, the Federal Reserve added a near-record \$4.2 billion to its holdings of securities—

Of course, that is highly inflationary, at least in increasing the money supply—

from Wednesday, December 27 to Wednesday, January 3.

That is 2 days ago.

But the effort was unsuccessful, as money costs rose almost across the board. The monetary base, the total of "high-powered money" that largely determines the future growth trend of the money supply, jumped \$1 billion in the week ended Wednesday to a total of \$97.2 billion.

Now, this means that you have the inflationary effect of increasing the money supply very sharply, they do it in order to hold down interest rates, and interest rates do not respond, they still stay up. Under these circumstances it seems to me that you are going to have a problem of doing something that is very difficult to do and could be a profound interference with capital markets and raise all kinds of very serious problems or settle for an inflationary effect of raising interest rates, because if you hold down the money supply, which is necessary if you are going to restrain inflation, and the supply of money is not available, then as demand increases, interest rates skyrocket.

I would like to ask some questions in this respect, Mr. Popkin, and it would be very helpful to us for the record. I realize that monetary policy is not your field of expertise, but interest rates are a price. Interest rates affect other prices, and at the same time the rate of price inflation affects interest rates. There is a very complicated interrelation here. What studies has the BLS made of the extent to which rising interest rates drive up other prices, and vice versa? Do you contemplate any studies? Do you regard this as a question which legitimately falls within your area of interest and responsibility?

Mr. POPKIN. We have not done any studies of the relationship between interest rates and other prices. The only thing which we have done to date is to publish, in our monthly release on consumer prices, the Consumer Price Index excluding mortgage interest costs so that one can look separately at the mortgage interest cost component and see what it is contributing or not contributing to any particular rise.

Chairman PROXMIRE. In times in the past it has been a very important contributor to inflation, has it not?

Mr. POPKIN. That is right. As a matter of fact, when inflation reached its peak in the late part of 1969 and the early part of 1970, the mortgage rate increases were contributing considerably to that peak rate.

Chairman PROXMIRE. Well, I do not know exactly how we can get this data. We very much rely on you for so much of the price data it might be helpful for you to consider it. Maybe you could give us a memorandum for the record to state what it would take to make a study of the interrelationship between the interest rate increases and prices, not just mortgage rates but—

Mr. POPKIN. As you indicate, it is a very complicated thing and the kind of thing that probably could be studied in the context of a full model of the economy. For example, the change in interest rates generally could have an impact on prices because it changes the cost to suppliers of holding inventories or if it slowed the growth of the economy it could slow the rate of increase in productivity and, therefore, fuel some further increase in unit labor costs. There are many complicated interrelationships.

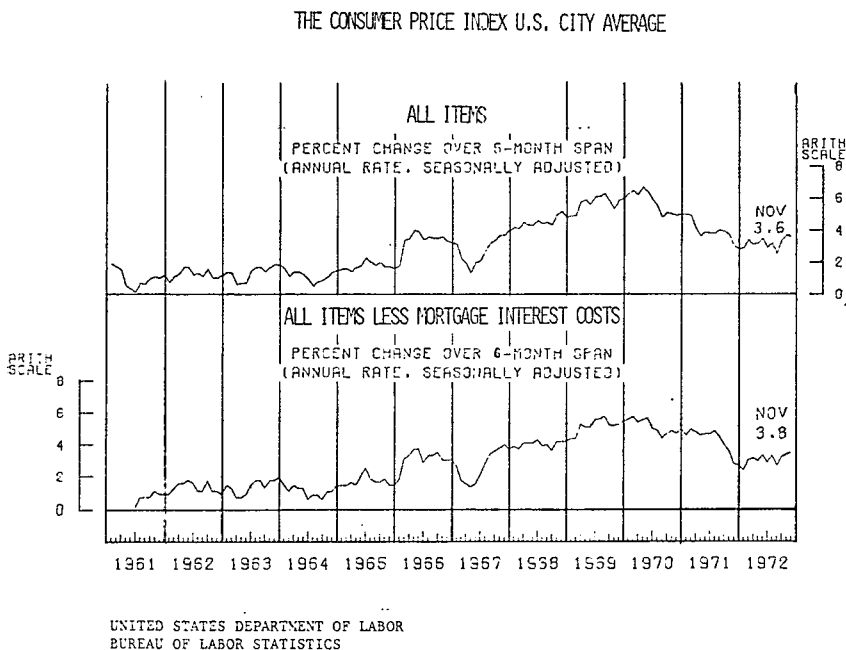
Chairman PROXMIRE. Right.

Mr. POPKIN. And it has not been the sort of thing that we have tackled. I think, based on my experience, I would look to some kind of econometric model, something like that, as a tool to analyze those interrelationships.

Chairman PROXMIRE. Well, for whatever you can give us on that for the record we would be grateful, including what you have got on mortgage rates and the experience you have had with them.

Mr. POPKIN. Yes, sir.

(The following information was subsequently supplied for the record:)



Chairman PROXMIRE. Now, that we have completed the first year under phase II of the wage and price control program, we can measure whether or not the administration goal of price increases between $2\frac{1}{2}$ and 3 percent by the end of 1972 has been achieved?

Mr. Moore, which price measure do you think we should use in evaluating price performance?

Mr. MOORE. I, myself, use a variety of price indexes for that purpose. The Consumer Price Index certainly is one, and I give that very great importance. The price indexes that are constructed from the GNP accounts are more comprehensive—that is, they include more of the economy than the Consumer Price Index does—and among those indexes it seems to me important to look at the ones that are constructed with fixed weights, not the deflators that involve a change in the composition of output as well as a change in the prices. There are several of those. One is the GNP deflator based on the private sector and constructed with fixed weights. Another is the personal consumption expenditure deflator which is available constructed with fixed weights.

The idea of fixed weights is that that shows what the change of prices has been separately from any changes in output.

Chairman PROXMIRE. But so far as the typical consumer is concerned, the rank-and-file citizen, and certainly as far as the administration is concerned with their public statements, the reliance has been on the Consumer Price Index. Using this measure, Consumer Price Index, phase II seems to have failed miserably. In the most recent 3-month period, and I suppose if you say, if you are going to measure your performance on the basis of how you are doing at the end of 1972 you take the last 3 months of 1972, and the most recent 3-month period because I guess we do not have December yet.

Mr. MOORE. No.

Chairman PROXMIRE. But we do have September, October, November, in that period consumer prices have risen at a seasonally adjusted annual rate of 4.4 percent. Now, that is far above the upper range of the administration's goal. Wholesale prices continued to rise in those 3 months at a rate of 4 percent. Are not these two measures clear evidence that phase II is far away from success and perhaps that in rewriting the wage-price control legislation, which we will have to do in the Congress in the next 2 or 3 months, we have to make it far more effective?

Mr. MOORE. Well, on your 4.4 percent, I seem to have a 4.2-percent figure for the last 3 months ending in November. Now, it is also true that over the last 6 months ending in November the annual rate of increase in the Consumer Price Index is 3.6 percent.

Chairman PROXMIRE. That is right.

Mr. MOORE. So a lot depends on the length of time over which you measure the rate of increase.

Chairman PROXMIRE. It seems to be getting worse, though. In other words, as you move down the line, that is the discouraging thing. I suppose if you went back a little further as you say, if you go back to the freeze period, if you go all the way back to those 3 months of freeze during 1971, you get an even better picture. But what we are concerned with is what is going on now. We have to operate on the basis of our latest statistics and the end of 1972. The President could have said during 1972 we didn't. He did say at the end of 1972. On this basis the Consumer Price Index is up more than 4 percent. That's a failure on any basis. It is certainly far above the guideline, very unsatisfactory.

Mr. MOORE. Well, except I would say this. The trouble with answering the question what is the rate of change of prices now is that the answer depends on the length of the time over which you make the measurement. If you take a very short interval like 3 months or—even more so—1 month, the answer you are going to get is a very erratic kind of an answer, it will be up one month and down another month, and so on.

If you want a more stable answer, so you will not be changing your mind every other month, the only practicable alternative is to look over a longer interval.

Chairman PROXMIRE. I did not take that measure by the end of 1972. It was the President's economic experts who suggested that. After all, 6 months is not the end of the year. Six months is half the year. The end of the year, it seems to me, you measure by the last 2 or 3 months. You could be arbitrary and just take the last month, I suppose. The last quarter would seem to me to be a pretty fair measure of how you are doing at the end of the year. We are doing far worse than we were doing when the year was three-quarters over.

Mr. MOORE. I believe a better one, in my judgment, would be to wait until, say, March and then take a 6-month interval centered around the end of the year.

Chairman PROXMIRE. Well, even if you take—

Mr. MOORE. Then you would get a more stable figure.

Chairman PROXMIRE. Even if you take that, I am not going to be pushed into that, even if you take that it is well above the guidelines, well above 2½, 3 percent. It is a failure, it is a disappointment, it is not a good performance.

Mr. MOORE. I am sure no matter how you put the figures together at the present time; that is, through November, it is not down to the 2½- to 3-percent range.

Chairman PROXMIRE. Right.

Mr. Moore, a number of administration spokesmen have made the argument that inflationary pressures may be less this year because, even though we have many workers involved in collective bargaining, they will be negotiating in a situation in which the rate of price increase has been reduced and they have less catching up to do.

What hard evidence is there to support that? Has the BLS done any analysis comparing the situation today with the situation the last time the auto workers, for example, were bargaining? Could you supply us with such analysis for the record?

Mr. MOORE. We have made some analysis of that sort and I think we can supply some.¹

Chairman PROXMIRE. I remember we had one witness, Robert Nathan, who counseled us if we are going to stop inflation this year we had better have a whale of a performance in the last 2 or 3 months, I should say the first 2 or 3 months in 1973, because if you go into those negotiations in an inflationary situation of the kind we have had in the last 3 months it is going to be very, very hard to hold wage increases down to the guideline, wage settlements would then be much higher and sets a pattern for the 3 years to come.

Mr. Popkin, the trend of consumer prices lately has not been encouraging as we have been discussing. In the most recent 3 months, the

¹ The information to be supplied for the record was not available at the time of printing the hearings.

CPI has advanced at an annual rate of more than 4 percent. This is a distinct worsening of the situation compared to the last spring and summer. More forecasters do not seem to expect any improvement in the situation in 1973. Every day, it seems we read about new price increases in basic areas—automobiles, steel, aluminum, rubber, fuels. Also, there continue to be increases in food prices.

I know that you cannot forecast prices, but can you give us some advice on how to do our own forecasting? What sectors should we particularly be examining if we want to get a feel for what lies ahead?

How seriously should we take the recent spate of news stories which predict further increases in the price of beef, poultry, and eggs because of higher prices for feed grains?

Mr. POPKIN. Well, one thing I would like to do is separate foods, the agricultural sector, from the rest of the economy because I think there are uniquely different forces at work. As a matter of fact, if you look at the figures you quoted, that 4.2-percent increase in the CPI in the 3 months ending November, and then look at the preceding quarter's data—that would be the 3 months ending in August—you find a rate of 2.9 percent. Just about all that difference is due to the behavior of the food component of the CPI. So, I think it is important to separate food from the other items.

Chairman PROXMIRE. Wholesale industrial prices increased, too.

Mr. POPKIN. Yes; they did. And the way I like to look at industrial prices, in fact, the Wholesale Price Index in general, is, first, to take away the agricultural sector and look at that separately, and then in focusing on the industrial commodities index to look at crude, intermediate, and finished products.

For example, in the first year of phase II if you look at the industrial component in total it went up 3.7 percent. Now the crude materials that are part of that industrial component went up 11.2 percent, the intermediate component went up considerably less, 4.1 percent, and the consumer finished goods, excluding food, went up 2.2 percent. So you can see a damping down of price increases as you move through the stage of process. It is, after all, the price of consumer finished goods at wholesale that most directly feeds into the Consumer Price Index. Evidence of that is the fact that manufacturers prices of consumer nonfood finished goods went up 2.2 percent while the Consumer Price Index for commodities, less food, went up 2.5 percent, not much different from the 2.2 but different from the 3.7 of the industrial grouping as a whole. Of course, that reflects the fact that the industrial average is raised by the sharper increase in crude and intermediate than in finished goods. In short, I would say that you look at the price increases in the industrial components by stage of process and count on some damping of price increases, say, from the crude stage down to the finished goods stage as goods move through the production process.

Chairman PROXMIRE. Historically it has not been that way, has it? Have not wholesale prices been much more stable than consumer prices up until recently?

I recall that in the 5 or 6 years between 1959 and 1965 we had stable wholesale prices.

And we had some inflation, modest but limited, modest but some, only 1 or 2 percent a year.

Mr. POPKIN. Yes; I think probably most of that would be attributable to the services component of the Consumer Price Index which does not have a counterpart in the WPI.

Chairman PROXMIRE. What impact will increases in aluminum and rubber have on consumer prices?

Mr. POPKIN. I have not studied that. I could try to supply something for the record on it.¹

Chairman PROXMIRE. All right.

Well, Mr. Moore, I want to thank you very, very much once again. I want to assert my great admiration and respect for your ability, competence, your great objectivity, your fairness, and I hope that in your function in private life that you will come before this committee and continue to enlighten us. You are certainly one of the country's most eminent and expert authorities in this area as well as in others, and we are looking forward to seeing you again.

Thank you very, very much.

Mr. MOORE. Thank you.

Chairman PROXMIRE. The committee stands adjourned.

(Whereupon, at 12:40 p.m., the committee was adjourned, subject to the call of the Chair.)

¹ Required data are not yet available at the time of printing the hearings.

