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General Ford  
[1975]

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QUESTION: Well, if we might have had Turkey in mind as one country, I am just wondering if this is a diplomatic thing to say at this time when our bases are at stake and the welfare of NATO?

THE PRESIDENT: Secretary Kissinger's comment, as I said a moment ago, was not aimed at any one country or any one Alliance. We are concerned about the conflict in the Mediterranean, which has resulted from the Cyprus difficulty of about 18 months or more ago, which has resulted in differences between Turkey and Greece.

I can assure you that we are going to work as we have in the past to try and find an answer to that problem, but I don't think the Secretary's comment in Atlanta was aimed at either Greece or Turkey or any particular Alliance.

QUESTION: Mr. President, your aides say that unemployment next year, an election year, will be very high, perhaps as high as eight million Americans. Yesterday, George Meany charged your Administration with callous disregard for human misery.

My question is this, sir: Why should the American people vote to put back in office a President whose policies accept such a high rate of unemployment among the American people?

THE PRESIDENT: We don't accept that as a figure that we want. We have to be realistic in that with the high inflation we had a year ago 12 to 14 percent. We have to do something affirmatively in regard to inflation, and we have cut the inflation rate in the last six months by 50 percent.



As you bring down inflation, we may have to suffer for a short period of time higher unemployment than we like, but I am convinced that with the policies we are pursuing, we can gradually increase employment and gradually decrease unemployment.

I am glad to indicate that in the last two months, according to the statisticians, we have had an increase of about 550,000 more people gainfully employed. This is a good trend, and I think you are going to see it increasing. I hope in the process that we will go down from the 9.2 percent unemployment -- I think we will -- that we reported several weeks ago.

MORE

unemployment  
[1975]

QUESTION: If I may follow up, sir, your own Administration's forecasts say that unemployment won't go down to 5 percent until 1980.

My question is: Don't you consider this to be a potent political issue next year?

THE PRESIDENT: I think it is an unacceptable figure. I hope they are wrong. I can only point out that six months or a year ago some of my advisers were telling me that inflation in 1975 would be 8 or 9 percent. It is down to 6 percent.

So, I think we can hopefully expect the same kind of improvement over the speculation in unemployment that we had in forecasting inflation.

QUESTION: If the economy has not shown a significant upturn sometime late this fall, would you consider asking Congress to extend for another year the tax reduction that is now in effect?

THE PRESIDENT: If the evidence shows that the tax reduction measures that were approved early this year were beneficial in moving the economy forward, and if we are convinced that the tax reductions would not create a deficit of a sizeable magnitude, more than we can afford, and if we have an economic situation that is not moving ahead and not improving, yes, I would consider recommending to the Congress that the tax reductions be extended for another year.

QUESTION: Have you discussed this with Congressional leaders as a possibility?

THE PRESIDENT: I have not discussed it with Congressional leaders. We keep a close check on economic indicators within the White House, and we have analyzed the alternatives in this situation.

If the conditions prevail that I indicated a moment ago, we would consider this as an option.

Yes, Mr. Brokaw?

QUESTION: Mr. President, are you concerned that the Congressional budget office is concerned that if the Middle East oil producers raise the price of oil this fall, as they have threatened to do, it will prolong the American recession and delay the recovery?

If the Middle East oil producers do, in fact, increase the price of oil, would you expect the American people to just swallow that increase, or would you have a definitive Administration response to an increase from the Middle East, and if you do, what would it be?

MORE

unemp/

[1975]

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So, what we have to do is very carefully, very judiciously, look at both sides of the coin. We are, and I believe that we have made great strides in doing something about inflation.

I am optimistic that we can do something about more employment and less unemployment.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you very much. I hope you had a good time out here.

END (AT 5:30 P.M. EDT)



THE WHITE HOUSE

WASHINGTON

March 3, 1975

*Pat - Issues*  
DECISION  
*Hoped -*  
*Not sent -*

MEMORANDUM FOR:

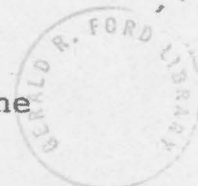
THE PRESIDENT

FROM:

JIM CANNON

SUBJECT:

Health Insurance Coverage for the  
Unemployed



This is to request your decision regarding legislative proposals to provide health insurance coverage for the unemployed.

BACKGROUND

Congress is considering proposals to provide health insurance coverage to the unemployed. With the unemployment rate above 8 percent, nearly 16 million persons qualify for UI at some point during the year. Of these, approximately 50 percent or 8 million persons may be without health insurance coverage while unemployed because they do not convert to an individual policy.

CURRENT SITUATION

Congress now is considering three major options for providing this emergency health insurance. Estimates of their budget impact range from \$1.2 billion to \$2.2 billion. Each bill proposes termination in June, 1976.

S. 496, introduced by Senator Bentsen (Jim Corman submitted the House counterpart), would provide Medicare benefits to the unemployed on UI. The annual cost would be \$1.2 billion for hospital insurance alone and \$2.2 billion if physician insurance is added.

S. 625 would provide for Federal financing of the continuation of a worker's private group coverage while the worker receives UI. This was introduced by Kennedy, Williams, Javits and Schweiker in the Senate and Jim Hastings in the House. Its estimated annual cost is \$1.5 billion.

A third proposal, supported by the AFL-CIO but not yet introduced in Congress, would provide for Federal payment of premiums, plus Federal financing of Medicaid coverage to UI beneficiaries not previously covered by an employer. The annual cost for this plan would be at least \$1.8 billion.

Many other Members of Congress have expressed interest in such legislation. The American Hospital Association and the American Medical Association are also working on proposals.

#### CURRENT POSITION

The Administration has been asked to state its position on emergency health insurance coverage. Each of these plans would require new spending. We have listed them below as options with the pros and cons of each.

#### OPTIONS

1. The Kennedy and Hastings plan would finance for a UI recipient the continuation of the private insurance plan the person held while employed.  
  
Pro: Would ensure the continuation of health insurance protection for workers no longer covered.  
  
Con: This would be extremely difficult to administer and would leave uncovered low-wage workers and those unemployed not eligible for UI.
2. The Bentsen-Corman plan would provide UI recipients with Medicare coverage.  
  
Pro: All beneficiaries would have the same benefit package, unlike a program of financing private insurance policies.  
  
Con: Could be a bad precedent because it would be financed by the Social Security program. It would, therefore, run counter to the various UHI financing proposals. It would be expensive and administratively difficult.
3. The AFL-CIO plan will provide medicaid coverage to persons without previous employer coverage.  
  
Pro: Assures that all the unemployed have some health insurance.

Con: It would create a special category of persons eligible for Medicaid coverage. It would impose additional financial and administrative burdens upon the States.

4. Oppose any new Federal spending programs that would provide additional health benefits to the unemployed.

Pro: Would be consistent with your policy of no new Federal spending programs.

Con: Could be construed as showing no sympathy for the unemployed and be a politically unpopular position.

5. Require employers to extend coverage for 90 days after termination of employment. For those unemployed longer than 90 days the Federal government will pay employers share of continuing unemployed person in group plan.

Pro: Costs less than congressional proposals and would be easier to administer.

Con: Costs of 90 day extension would be an increased burden on private business.

6. Initiate Comprehensive Health Insurance Plan in FY 77.

Pro: Deals comprehensively with entire problem not just with particular sector.

Con: Costs of initiating program are substantial and it would not deal with the immediate problem of the unemployed.

#### DECISION

- \_\_\_\_\_ Option 1. Federally finance the continuation of private health insurance for the unemployed.
- \_\_\_\_\_ Option 2. Provide Medicare coverage to UI recipients.
- \_\_\_\_\_ Option 3. Provide Medicaid benefits to the previously uninsured unemployed.

- \_\_\_\_\_ Option 4. Express opposition to any new Federal spending program establishing additional health insurance benefits for the unemployed.
- \_\_\_\_\_ Option 5. Mandate extended coverage by employers for 90 days and from then on Federal government would pay employers share of premium.
- \_\_\_\_\_ Option 6. Initiate Comprehensive Health Insurance Program in FY 77.

Joint - Unemployment Compensation  
4/9/75

the negotiable the unemployment  
Compensation

1) To Labor - There was  
concerned

2) From Labor - Relate  
to existing unemployment comp

extend to 6/30/75 -

two bills pending -  
running to '76



Ready to sit down w/ White  
House to work out

Statement =

White House

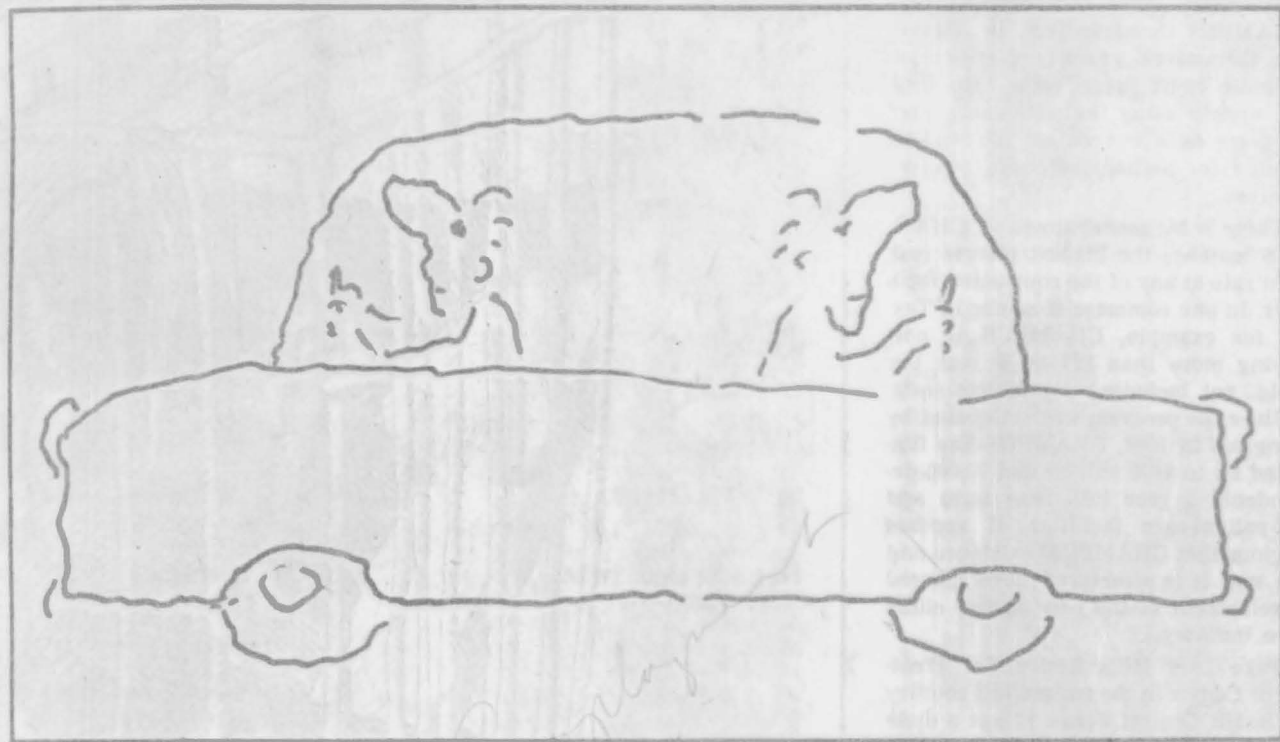
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Dunlop shouldn't proceed  
w/o knowing what is  
proceeding on Hill

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WASHINGTON POST, September 21, 1975



*David S. Broder*

By Zarko Karabatic for The Washington Post


# Jobs and the Government

REQUEST

THE WHITE HOUSE

WASHINGTON

January 2, 1976

MEMORANDUM FOR: JIM CANNON  
FROM: DAVID LISSY   
SUBJECT: Unemployment Statistics -- by State

You asked for the latest unemployment figures by state. The Department of Labor does not routinely produce a breakdown by state, but I was able to get the attached work sheet in which the last column is the figure you want. These figures are for October 1975. They are produced by the states themselves. The method used by some of the states may differ from the method used by DOL to produce the national figures.

The unemployment rate figures in the attached are not seasonally adjusted. Seasonally adjusted figures by state are not available. Nationwide in October, seasonally adjusted unemployment stood at 8.6% and non-seasonally adjusted unemployment was 7.8%. On a state by state basis, however, the relationship between adjusted and non-adjusted figures may not be the same as that on the national level.

State figures for November should be available in about a week. Nationwide, seasonally adjusted unemployment dropped to 8.3% in November while the non-adjusted rate held steady at 7.8%.

Attachment





U. S. DEPARTMENT OF LABOR  
BUREAU OF LABOR STATISTICS

October 1975

U. S. GOVERNMENT PRINTING OFFICE 10-48455-1

STATES	Labo Force	Employment	Unemployment	UNEMPLOYMENT RATE
Alabama	1473507	1347804	125703	8.5
Alaska	182,891	168515	14376	7.9
Arizona	910,918	822,880	88,038	9.7
Arkansas	869389	808009	61380	7.1
California	9,456300	8,594000	862,300	9.1
Colorado	1,173,030	1,111,228	61,802	5.3
Connecticut	1,467,824	1,317,883	149,941	10.2
Delaware	248,170	228,199	19,971	8.1
District of Columbia	337,607	308,494	29,113	8.6
Florida	3,312,032	2,904,441	407,591	12.3
Georgia	2,184,763	1,992,569	192,194	8.8
Hawaii	263,335	332,699	30,636	8.4
Idaho	378,700	357,300	21,400	5.7
Illinois	5,023,573	4,589,018	434,555	8.7
Indiana	2,371,159	2,149,829	176,330	7.4
Iowa	1,383,794	1,312,999	70,795	5.1
Kansas	1,071,395	1,023,408	47,987	4.5
Kentucky	1,520,284	1,408,032	112,252	7.4
Louisiana	1,440,725	1,325,504	115,221	8.0
Maine	437,300	398,500	38,800	8.9
Maryland	1,844,387	1,712,655	131,732	7.1
Massachusetts	2,776,400	2,438,700	337,700	12.2
Michigan	4,000,987	3,556,578	504,319	12.4
Minnesota	1,813,968	1,726,484	87,484	4.8
Mississippi	953,740	896,104	57,636	6.0
Missouri	2,091,361	1,954,121	137,240	6.6
Montana	335,590	308,089	27,501	8.2
Nebraska	730,216	694,482	35,734	4.9
Nevada	301,318	274,897	26,421	8.8
New Hampshire	367,900	348,700	19,200	5.2
New Jersey	3,205,387	2,884,493	320,894	10.0
New Mexico	453,070	419,666	33,404	7.4
New York	7,622,987	6,853,139	769,848	10.1
North Carolina	2,489,004	2,311,905	177,099	7.1
North Dakota	273,774	263,378	10,396	3.8
Ohio	4,813,673	4,436,873	376,800	7.8
Oklahoma	1,196,336	1,116,584	79,752	6.7
Oregon	1,059,299	964,233	95,066	9.0
Pennsylvania	5,121,921	4,687,720	434,201	8.5
Puerto Rico	880,484	715,140	165,344	18.8
Rhode Island	437,495	385,046	52,449	12.0
South Carolina	1,188,684	1,074,120	114,564	9.6
South Dakota	313,071	300,841	12,230	3.9
Tennessee	1,891,983	1,747,417	144,566	7.6
Texas	5,354,851	5,030,282	324,569	6.1
Utah	462,644	428,142	34,502	7.5
Vermont	204,857	185,046	19,811	9.7
Virginia	2,184,836	2,052,790	132,046	6.0
Washington	1,552,914	1,418,238	134,676	8.7
West Virginia	675,906	631,174	44,732	6.6
Wisconsin	2,115,823	1,991,531	124,292	5.9
Wyoming	183,734	177,046	6,688	3.6
United States				

THE WHITE HOUSE  
WASHINGTON

January 6, 1976

MEMORANDUM FOR: JIM CANNON  
FROM: DAVID L. [signature]  
SUBJECT: Major Areas of Unemployment

Because of your interest the other day in unemployment totals by state I thought you might want to see the attached listing (starting on page 2) of major areas of unemployment within each state.

As with the statewide reports, these figures are arrived at by formulas which vary by state and which may differ from the method used to secure nationwide seasonally adjusted figures.

Attachment

# NEWS



U. S. DEPARTMENT OF LABOR  
OFFICE OF INFORMATION, WASHINGTON, D. C. 20210

Contact: Office - (202) 376-6905

USDL -- 76-07

Jack Hashian

Home - (703) 938-2343

FOR RELEASE: IMMEDIATE

Arthur Jaffey

Friday, January 2, 1976

Home - (301) 424-2106

## AREA EMPLOYMENT TRENDS FOR DECEMBER

Kenosha, Wisc., was removed in December from the list of major labor areas with "substantial" (6% or more) unemployment, reducing the number on the list to 131, the Department of Labor announced today.

This is the third consecutive month that a reduction in the number occurred after a steady rise for 19 months through September when an all-time high of 135 (out of a possible 150) areas was listed. In December 1974 the number was 55.

The improved situation in the Kenosha area was due mainly to gains achieved in the nonmanufacturing sector, particularly in wholesale and retail trades as well as in contract construction.

The unemployment rate for the Kenosha area in October 1975 was 4.9 percent, compared to 6.0 percent for the previous month.

The December ratings are based on state employment security agencies' preliminary data on employment and unemployment for mid-October, taking into consideration preliminary November data.

"Substantial" unemployment means the area has a jobless rate of six percent or more, discounting seasonal factors, with the rate expected to continue for at least two more months.

Under Defense Manpower Policy No. 4, firms located in areas classified

(more)

on the "substantial" unemployment list may be eligible for first preference in bidding on certain Federal procurement contracts, providing the firms in the area agree to hire 25 percent of the new hires each month from among the disadvantaged residents of the area.

Following are two separate listings: (1) the names of the 131 major areas on the substantial unemployment list, the date the area was put on the list, and the areas' October 1975 unemployment rates; and (2) the names of the 19 major areas not on the substantial list.

MAJOR LABOR AREAS ALREADY ON "SUBSTANTIAL" UNEMPLOYMENT LIST

<u>Area</u>	<u>Date Classified</u>	<u>Oct. 1975 Unemployment Rate</u>
Birmingham, Ala.	April 1975	8.2
Mobile, Ala.	April 1975	6.9
Phoenix, Ariz.	Dec. 1974	10.3
Little Rock -North Little Rock, Ark.	April 1975	5.8
Anaheim-Santa Ana-Garden Grove, Cal.	Sept. 1970	7.9
Fresno, Cal.	March 1961	7.7
Los Angeles-Long Beach, Cal.	Oct. 1970	9.4
Riverside-San Bernardino-Ontario, Cal.	Oct. 1970	11.6
Sacramento, Cal.	March 1974	7.9
San Diego, Cal.	Oct. 1970	9.9
San Francisco-Oakland, Cal.	March 1974	9.7
San Jose, Cal.	Jan. 1975	7.4
Stockton, Cal.	March 1961	7.2
Bridgeport, Conn.	Aug. 1970	11.9
Hartford, Conn.	March 1975	8.7
New Britain, Conn.	July 1970	12.7
New Haven, Conn.	Jan. 1975	10.2
Stamford, Conn.	March 1975	7.8
Waterbury, Conn.	Dec. 1974	12.2
Wilmington, Del.	March 1974	8.1
Washington, D.C.	Sept. 1975	6.3
Jacksonville, Fla.	April 1975	7.6
Miami, Fla.	Jan. 1975	12.2
Tampa-St. Petersburg, Fla.	Feb. 1975	12.8
Atlanta, Ga.	March 1975	9.6

(more)

MAJOR LABOR AREAS ALREADY ON "SUBSTANTIAL" UNEMPLOYMENT LIST (Cont'd.)

<u>Area</u>	<u>Date Classified</u>	<u>Oct. 1975 Unemployment Rate</u>
Augusta, Ga.	Jan. 1975	7.6
Columbus, Ga.	Feb. 1975	6.5
Macon, Ga.	Feb. 1975	8.3
Savannah, Ga.	June 1975	8.0
Honolulu, Hawaii	March 1974	7.9
Chicago, Ill.	March 1975	9.3
Rockford, Ill.	Feb. 1975	10.8
Evansville, Ind.	March 1975	6.8
Fort Wayne, Ind.	March 1975	8.5
Gary-Hammond-East Chicago, Ind.	March 1975	8.0
Indianapolis, Ind.	March 1975	6.7
South Bend, Ind.	March 1975	6.3
Terre Haute, Ind.	March 1975	5.7
Louisville, Ky.	June 1975	8.5
Baton Rouge, La.	April 1975	6.2
New Orleans, La.	Aug. 1974	8.7
Shreveport, La.	Aug. 1974	9.3
Portland, Me.	Feb. 1975	7.6
Baltimore, Md.	April 1975	7.9
Boston, Mass.	July 1972	12.1
Brockton, Mass.	June 1970	12.0
Fall River, Mass.	May 1970	11.4
Lawrence-Haverhill, Mass.	Oct. 1970	13.8
Lowell, Mass.	April 1970	12.3
New Bedford, Mass.	Feb. 1970	14.4
Springfield-Chicopee-Holyoke, Mass.	July 1970	11.8
Worcester, Mass.	March 1971	12.7
Battle Creek, Mich.	Aug. 1970	11.9
Detroit, Mich.	Aug. 1970	13.5
Flint, Mich.	March 1974	11.9
Grand Rapids, Mich.	March 1974	9.7
Kalamazoo-Portage, Mich.	April 1974	8.8
Lansing-East Lansing, Mich.	April 1974	10.7
Muskegon-Muskegon Heights, Mich.	June 1968	13.6
Saginaw, Mich.	March 1974	9.9
Duluth-Superior, Minn.	May 1971	8.2
Minneapolis-St. Paul, Minn.	April 1975	5.9
Kansas City, Mo.	March 1975	7.8
St. Louis, Mo.	Oct. 1974	8.1
Omaha, Neb.	March 1975	7.8

(more)



MAJOR LABOR AREAS ALREADY ON "SUBSTANTIAL" UNEMPLOYMENT LIST (Cont'd.)

<u>Area</u>	<u>Date Classified</u>	<u>Oct. 1975 Unemployment Rate</u>
Manchester, N.H.	April 1975	5.5
Atlantic City, N.J.	Jan. 1971	9.9
Jersey City, N.J.	June 1970	11.4
Newark, N.J.	April 1971	10.8
New Brunswick-Perth Amboy-Sayreville, N.J.	Oct. 1970	8.7
Paterson-Clifton-Passaic, N.J.	Dec. 1970	11.1
Trenton, N.J.	Sept. 1974	6.8
Albuquerque, N. Mex.	Nov. 1974	7.8
Albany-Schenectady-Troy, N.Y.	March 1975	7.4
Binghamton, N.Y.	March 1975	6.8
Buffalo, N.Y.	May 1974	12.4
Nassau-Suffolk, N.Y.	March 1975	8.3
New York, N.Y.	July 1974	11.4
Rochester, N.Y.	April 1975	7.7
Syracuse, N.Y.	Feb. 1975	9.1
Utica-Rome, N.Y.	Jan. 1975	9.9
Ashville, N.C.	March 1975	8.3
Charlotte-Gastonia, N.C.	March 1975	7.6
Greensboro-Winston Salem-High Point, N.C.	March 1975	7.2
Akron, Ohio	March 1975	8.2
Canton, Ohio	March 1975	8.6
Cincinnati, Ohio	Jan. 1975	7.5
Cleveland, Ohio	Jan. 1975	7.7
Columbus, Ohio	April 1975	6.5
Dayton, Ohio	March 1975	7.2
Hamilton-Middletown, Ohio	March 1974	9.6
Lorain-Elyria, Ohio	Feb. 1975	8.7
Steubenville-Weirton, Ohio	July 1975	5.8
Toledo, Ohio	Jan. 1975	8.1
Youngstown-Warren, Ohio	Jan. 1975	9.8
Oklahoma City, Okla.	Aug. 1975	7.3
Portland, Ore.	Jan. 1975	9.0
Allentown-Bethlehem, Pa.	March 1975	7.4
Altoona, Pa.	Aug. 1974	8.0
Erie, Pa.	March 1975	8.9
Johnstown, Pa.	March 1975	5.9
Lancaster, Pa.	April 1975	5.7
Northeast Pa. (Scranton-Wilkes Barre-Hazleton)	July 1974	8.6
Philadelphia, Pa.	May 1974	10.4
Pittsburgh, Pa.	March 1975	8.5

(more)

MAJOR LABOR AREAS ALREADY ON "SUBSTANTIAL" UNEMPLOYMENT LIST (Cont'd.)

<u>Area</u>	<u>Date Classified</u>	<u>Oct. 1975 Unemployment Rate</u>
Reading, Pa.	April 1975	5.4
York, Pa.	March 1975	6.8
Mayaguez, P.R.	May 1955	16.4
Ponce, P.R.	May 1955	22.2
San Juan, P.R.	Nov. 1971	13.7
Providence-Warwick-Pawtucket, R.I.	Feb. 1971	11.7
Charleston, S.C.	April 1975	9.5
Greenville-Spartanburg, S.C.	April 1975	9.0
Knoxville, Tenn.	July 1975	6.3
Memphis, Tenn.	April 1975	7.6
Nashville-Davidson, Tenn.	April 1975	7.0
Beaumont-Port Arthur-Orange, Tex.	April 1975	9.1
Corpus Christi, Tex.	April 1975	7.3
El Paso, Tex.	Feb. 1975	9.8
San Antonio, Tex.	April 1975	9.4
Salt Lake City-Ogden, Utah	March 1975	6.0
Newport News-Hampton, Va.	Aug. 1975	5.8
Norfolk-Virginia Beach-Portsmouth, Va.	Sept. 1975	5.8
Roanoke, Va.	June 1975	5.3
Seattle, Wash.	Feb. 1970	9.4
Spokane, Wash.	Aug. 1970	8.3
Tacoma, Wash.	March 1970	10.0
Huntington-Ashland, W. Va.	May 1970	7.0
Wheeling, W. Va.	Jan. 1975	6.4
Milwaukee, Wis.	March 1975	7.5
Racine, Wis.	March 1975	6.2

(more)

19 MAJOR LABOR AREAS NOT ON THE "SUBSTANTIAL" UNEMPLOYMENT LIST

Denver-Boulder, Colo.  
Davenport (Iowa)-Rock Island-Moline, Ill.  
Peoria, Ill.  
Cedar Rapids, Iowa  
Des Moines, Iowa  
Wichita, Kan.

Jackson, Miss.  
Raleigh-Durham, N.C.  
Tulsa, Okla.  
Harrisburg, Pa.  
Chattanooga, Tenn.  
Austin, Tex.

Dallas, Tex.  
Fort Worth, Tex.  
Houston, Tex.  
Richmond, Va.  
Charleston, W. Va.  
Kenosha, Wis.  
Madison, Wis.

In addition to the revisions in major area classifications, 26

"other" (not major) labor areas were added to the substantial unemployment list in December. These areas are as follows:

California

Santa Barbara-Santa Maria-Lompoc (Santa Barbara County)

Florida

Arcadia (DeSoto County)  
Bonifay (Holmes County)  
Bowling Green (Hardee County)  
Bristol (Liberty County)  
Chipley (Washington County)  
DeFuniak Springs (Walton County)  
Marianna (Jackson County)  
Okeechobee (Okeechobee County)  
Palatka (Putnam County)  
Sebring (Highlands County)  
Stuart (Martin County)  
Tallahassee (Leon and Wakulla Counties)



(more)



North Carolina

Boone (Watauga County)  
Brevard (Transylvania County)  
Edenton (Chowan County)  
Franklin (Macon County)  
Jacksonville (Jones and Onslow Counties)  
Mocksville (Davie County)  
North Wilkesboro (Wilkes County)  
Spruce Pine (Avery, Mitchell, and Yancey Counties)  
Sylva (Jackson County)  
Wadesboro (Anson County)  
Warrenton (Warren County)  
West Jefferson (Ashe County)  
Yanceyville (Caswell County)

There are now 1,144 areas classified as areas of substantial or persistent unemployment. The following table shows these areas arranged by size and nature of unemployment.

Labor Areas of Substantial or Persistent Unemployment  
December 1975

<u>Size</u>	<u>Total</u>	<u>Substantial (only)</u>	<u>Persistent</u>
Major	131	121	10
Other	<u>1,013</u>	<u>733</u>	<u>280</u>
Total	<u>1,144</u>	<u>854</u>	<u>290</u>

There were no changes this month in the list of classified sections of concentrated unemployment or underemployment.

All changes in area classifications made in December affecting substantial or persistent unemployment areas were effective for Federal procurement purposes on January 1, 1976.



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THE WHITE HOUSE  
WASHINGTON

March 8, 1976

MEMORANDUM FOR: JIM CANNON  
FROM: DAVID LISS *[Signature]*  
SUBJECT: Employment Situation -- February 1976

As you know, the unemployment rate in February fell to 7.3% on a seasonally adjusted basis. On a seasonally adjusted basis this equates to 7.1 million unemployed. When the figures are not adjusted, there are 8 million unemployed.

On the whole there were few significant changes in the employment picture from January to February, though most of the trends were in the right direction.

Total employment (household survey) was up slightly to 86.3 million -- back to the July 1974 pre-recession peak.

Adult women account for more than half the gain since the March 1975 low. Total employment for adult men is still nearly 700,000 below its peak.

Nonagricultural payroll employment (establishment survey) also increased slightly but at 78.3 million is still half a million below the September 1974 peak.

The unemployment rate for non-whites was 13.7%, up slightly from January.

The rate for teenagers was 19.2%, down slightly.

Average duration of unemployment was down to 16.2 weeks after remaining at roughly 17 weeks for the previous three months.

Vietnam veterans in the 20 to 24 years category had an unemployment rate of 17.9%. This was down from 18.9% in January but was still significantly higher than the comparable rate of 11.0% for non-veterans.

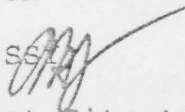
Vietnam veterans in the 25 to 29 years group had an unemployment rate of 7.1% -- as they did in January. The comparable rate for non-veterans was 6.6%. (In January, the non-veteran rate had been higher -- at 7.3%).

cc: Jim Cavanaugh  
Art Quern  
Steve McConahey  
Paul Leach  
Paul Myer  
Judy Hope  
Lynn May  
Allen Moore

THE WHITE HOUSE  
WASHINGTON

March 8, 1976



MEMORANDUM FOR: JIM CANNON  
FROM: DAVID LISS   
SUBJECT: Employment Situation -- February 1976

As you know, the unemployment rate in February fell to 7.3% on a seasonally adjusted basis. On a seasonally adjusted basis this equates to 7.1 million unemployed. When the figures are not adjusted, there are 8 million unemployed.

On the whole there were few significant changes in the employment picture from January to February, though most of the trends were in the right direction.

Total employment (household survey) was up slightly to 86.3 million -- back to the July 1974 pre-recession peak.

Adult women account for more than half the gain since the March 1975 low. Total employment for adult men is still nearly 700,000 below its peak.

Nonagricultural payroll employment (establishment survey) also increased slightly but at 78.3 million is still half a million below the September 1974 peak.

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Vietnam veterans in the 25 to 29 years group had an unemployment rate of 7.1% -- as they did in January. The comparable rate for non-veterans was 6.6%. (In January, the non-veteran rate had been higher -- at 7.3%).

cc: ✓ Jim Cavanaugh  
Art Quern  
Steve McConahey  
Paul Leach  
Paul Myer  
Judy Hope  
Lynn May  
Allen Moore



RED TAG

THE WHITE HOUSE  
WASHINGTON

*Cannon*  
*Labor*

March 15, 1976

MEMORANDUM FOR:

BILL SEIDMAN  
JIM LYNN  
JIM CANNON

THRU:

MAX L. FRIEDERSDORF  
VERN LOEN

FROM:

CHARLES LEPPERT, JR. *CLJr.*

SUBJECT:

H.R. 50, Full Employment and Balanced  
Growth Act of 1976

Attached for your information is a copy of H. R. 50, the Humphrey-Hawkins jobs bill.

Also attached are the following:

- (1) A comparison of H. R. 50 with previous versions,
- (2) Summary of H. R. 50,
- (3) Questions and Answers in re H. R. 50, and
- (4) Press Release - Humphrey announces participants in National Conference on Full Employment.

H. R. 50 is scheduled for mark-up in the House Committee on Education and Labor Subcommittee on Equal Opportunities on Monday, March 15, 1976. The bill then goes before the Subcommittee on Manpower, Compensation, Health and Safety which has 90 days to act and report the bill to the full House Committee on Education and Labor.

Attachments

cc: Jack Marsh  
Tom Loeffler  
Bill Kendall  
Joe Jenckes

March 10, 1976

The New "Full Employment and Balanced Growth Act of 1976"  
in comparison with its previous versions

In August 1974 the first version of this legislation was introduced as the "Equal Opportunity and Full Employment Act of 1976." The House sponsors were Rep. Augustus Hawkins (Cal.) and Rep. Henry S. Reuss (Wis.), supported by over 90 other House members. The chief Senate sponsor was Sen. Hubert H. Humphrey (Minn.). The identical bill was reintroduced in January 1975 as H.R. 50 and S. 50.

In March 1975 a major broadening was suggested. This appeared in the form of a House Subcommittee Print of March 20, 1975.

As pointed out in the following summary, the new substitute version retains some features of previous versions, offers many new features and changes or eliminates some of the older provisions. For the sake of brevity, neither the details of each provision nor the reasons for the changes are given.

I. Features common to all versions

All versions of the bill have strengthened, extended or updated the Employment Act of 1946 in the following manner:

1. Declaring and establishing the right of all adult Americans able, willing and seeking work to opportunities for useful paid employment at fair rates of compensation. This restores a provision of the original Full Employment Bill of 1945 which, although approved by the Senate, was stricken out by the House.
2. Putting full employment, production and purchasing power back into the Employment Act's declaration of policy and its mandate concerning the President's Council of Economic Advisers.
3. Providing for annual transmission to Congress of a Presidential program for general stimulus of the entire economy, i.e., a primary (or first-resort program) for full employment, production and purchasing power.
4. Providing supplemental (or last resort) machinery in the Department of Labor for government-financed employment opportunities through reservoirs of public and private employment projects.
5. Providing special protection for people who have hitherto been excluded from employment on the ground of sex, age, race, color, religion or national origin.
6. Providing specific attention to the problem of inflation, a subject not dealt with in either the original Full Employment Bill of 1945 or the Employment Act of 1946.
7. Strengthening the role of the Congress--and particularly the Joint Economic Committee--in the development of the many policies and programs required to maintain full employment without inflation.

8. Recognizing that a number of years will be required to attain genuine full employment without inflation.

## II. New features not in previous versions

1. Emphasis on balanced growth as well as full employment (Sec. 1, 101, 102, 104).
2. Comprehensive set of anti-inflation policies tied in with general fiscal and monetary policies (Sec. 106 and 107).
3. Comprehensive counter-cyclical policies, including counter-cyclical grant program for State and local governments (Sec. 202 and 203)..
4. Special financial provisions for assistance to depressed regions and inner cities (Sec. 204).
5. Integration, improvement and expansion of existing youth employment programs (Sec. 205).
6. Promotion of economy and efficiency in government through zero-base budgeting in Federal budget and review of government regulations (Sec. 10).
7. Transmission of each year's Full Employment and Balanced Growth Plan to Governor of each State, with possibility of public hearings on same at State level (Sec. 104-G).
8. Appointment of a 12-person Advisory Committee on Full Employment and National Growth to assist the Council of Economic Advisers in helping prepare the President's Economic Report and Full Employment and Balanced Growth Plan (Sec. 109).
9. Integration of work of Joint Economic Committee and the Budget Committees of each House in preparing the annual concurrent budget resolution (Sec. 303 and 304).

## III. Changes in various features of previous versions

1. Short title changed to "Full Employment and Balanced Growth Act of 1976" from "Equal Opportunity and Full Employment Act."
2. The primary (or first resort) economic program described as "Full Employment and Balanced Growth Plan" instead of "Full Employment and National Purposes Budget" or "Full Employment and Production Program."
3. The number of high-priority areas in the primary economic program reduced in number and presented in more consolidated form without specific targets: (i) energy, transportation, food, small business and environmental improvement; (ii) health care, education, day care and housing; (iii) Federal aid to State and local governments; and (iv) national defense and international affairs.
4. The goal of reducing officially measured unemployment to 3% of <sup>18 months</sup> civilian labor force to be reached in 4 years instead of ~~shorter period~~.



5. "Last resort" jobs from Full Employment Office to be distributed on <sup>7</sup> basis of applicants' needs.
6. President's annual Manpower Report to include analysis of extent to which last-resort employment helps achieve affirmative action in quantity and quality of jobs.
7. The right to "opportunities for useful paid employment at fair rates of compensation" instead of the right to "equal opportunities..." (which might have been interpreted as opening the door to equally poor opportunities.
8. The Full Employment Office (instead of Job Guarantee Office) in the Department of Labor to operate federally, with such use of the U.S. Employment Service and C.E.T.A. facilities as the Secretary of Labor may arrange.
9. Federal Reserve Board to report independently on extent to which its policies support achievement of the goals in President's Full Employment and Balanced Growth Plan.

#### IV. Previous features eliminated

1. The subsection providing for judicial appeals by persons feeling that they have been deprived of their employment rights.
2. The imposition of the Act's full employment policies on the Federal Reserve System and other independent agencies of the federal government.
3. The section establishing a mandated program of full employment research under a National Institute for Full Employment Research.
4. The section mandating specific contents in the annual "Manpower Report of the President" and changing its name to "Labor Report of the President."
5. The holding of annual full employment conferences by Joint Economic Committee.
6. The mandated use of the local Planning Councils under C.E.T.A. as advisory boards in development of public and private reservoirs of employment projects.

QUESTIONS AND ANSWERS IN RE H.R. 50

Does the reduction of unemployment to 7.6 percent in February 1976 lessen the necessity for H.R. 50?

Certainly not. Unemployment of 7.6 percent is nothing to write home about. Besides, the true level is at least 10.5 percent, when account is taken of the dropouts and the full-time equivalent of part-time unemployment. More important, the purpose of H.R. 50 is not just to speed up the current recovery, although it would help a lot with that. The main purpose is to give us the huge and lasting benefits of regaining and then maintaining full employment, instead of continuing the frequent cycles of stagnations and recessions and inadequate upturns. Five such cycles caused us to forfeit more than 3.3 trillion 1975 dollars of G.N.P. and 61 million man- and woman-years of employment opportunity during 1953-1975 inclusive, and to forfeit more than 900 billion 1975 dollars of G.N.P. and almost 23 million man- and woman-years of employment opportunity during 1969-1975 inclusive.\* None of the four previous upturns at its peak brought us anywhere near back to full employment, and most of the forecasts now are that the current upturn at its peak will show more unemployment than at the peak of any of the four previous upturns.

We have conservative estimates that continuation of recent and current national economic policies would cause us to forfeit more than 1.1 trillion 1975 dollars of G.N.P. during 1976-1980 inclusive, and to forfeit almost 17 million man- and woman-years of employment opportunity. We must put an end to this kind of roller-coaster economic performance by moving unemployment steadily downward to not more than 3 percent by the end of calendar 1980 at the latest, and by establishing the policy foundations for continuous full employment thereafter.\*.

What policies and programs would H.R. 50 use to accomplish the full employment objective?

H.R. 50 would require the President to submit annually to the Congress, in conjunction with his or her Economic Reports, a long-range Full Employment and Balanced Growth Plan. This Plan, instead of making forecasts of what is going wrong, would set interrelated goals for employment, production, purchasing power, and proper attention to national priorities, targeted to not more than 3 percent unemployment within four years of enactment of H.R. 50, say, end of calendar 1980. The President would need to include in the Plan his recommendations on the policies and programs needed to achieve the goals. H.R. 50 also provides for much more effective processing of the Plan by the Congress than has been applied to the processing of the Economic Reports of the President to date.

H.R. 50 requires that first emphasis be placed upon expansion of private employment opportunity, encouraged by improvements in monetary and fiscal policies. There are provisions in H.R. 50 for bringing the Federal Reserve System into support of this target.

Subordinate to this major emphasis upon expansion of private employment, H.R. 50 provides for the use of the Federal Budget to help serve the great priorities of our economic and related social needs, such as energy, resource development, food supply, mass transportation, housing, health, and education. Similarly, H.R. 50 provides for Federal assistance to the States and localities and the private sector, to help deal with such special problems as youth unemployment, cyclical unemployment, chronically depressed areas, etc. But both of these efforts would have a high "multiplier" effect upon private employment. Even on the public employment side, both of these efforts would mean administration mostly at the State and local level rather than at the Federal level, and mean far more expansion of State and local jobs than of Federal jobs. As a last resort, to provide employment opportunity for those not finding employment under other provisions of H.R. 50, it provides for reservoirs of public and private nonprofit employment projects, operated or approved by the Federal Government. But these would provide only a small fraction of the additional jobs, and even most of the jobs so provided would not be Federal jobs. The

\*See Chart 1.

general philosophy of H.R. 50 is to accent private expansion of jobs, moving next to State and local expansion, and only as a last resort to Federal direct provision of jobs.

Do you have any estimates as to where the additional jobs would be provided under H.R. 50?

H.R. 50 is a measure to commit us by law to a full employment policy, to define quantitatively what full employment means, and to provide a number of standards in this connection. But the implementation through specific policies and programs is properly left, and necessarily so, to the President and the Congress, both on an annual and a long-range basis. Therefore, it is in a sense premature, and a misunderstanding of H.R. 50, to ask for detailed specifications of where the jobs would be provided, or exactly what programs would be adopted, or what the costs would be.

Nonetheless, for purposes of perspective, we have estimates of the number of additional jobs, and their distribution, required to reduce unemployment to 3 percent by the end of calendar 1980, which would be consistent with the timetable in H.R. 50 for reaching this mandated goal, if enactment is not later than the end of calendar 1976. It is estimated that total nonagricultural civilian employment by the end of 1980 would need to be somewhere in the neighborhood of 10-12 million higher than in early 1976. It is further estimated that there would be about three times as many additional private jobs as additional State and local jobs. There would be about nine times as many additional private jobs as additional Federal jobs. Within this total, there might be one million additional reservoir or last resort employment projects, financed entirely or largely by the Federal Government, but most of these jobs, as I have said, would be State and local or private nonprofit rather than Federal jobs.

Any idea that the H.R. 50 is designed mainly to use the Government as an employer of last resort, and to have many millions of additional Federal jobs is completely erroneous, in terms of the specifics and spirit of H.R. 50. However, and properly so, H.R. 50 does recognize the bedrock and civilized responsibility of the Federal Government to provide jobs for adult Americans able and willing to work, but not otherwise obtaining such jobs.

How much would H.R. 50 cost in operation?

As we have already stated, the costs would be determined by the actual policies and programs developed by the President and the Congress, year by year. It would, therefore, be entirely improper for H.R. 50 to contain cost figures. But it is only fair and proper for the proponents of H.R. 50 to reveal to the Congress and the American people their own appraisals of the outside costs of H.R. 50 in the accomplishment of its targeted objectives.

First of all, we must say a few words about costs in general. To say that increased spending is detrimental per se is entirely superficial, because every addition to production or employment increases spending. It involves more spending to employ a person full time at useful work than to pay unemployment insurance or welfare; it involves more spending to build a home or a factory than not to do so; it involves more spending to close the huge current gap between actual G.N.P. and our capabilities for full production. It is equally superficial to measure real costs by trends in Federal spending alone. Account must be taken of the beneficial effects of wisely designed increased Federal spending, in terms of increased total national production of goods and services, enlarged employment opportunity, improved priority attention to human needs, great reductions in the nonproductive Federal costs of Federal assistance to the unemployed, increased tax revenues, decreases in the interest burdens imposed upon the Federal Budget and others by excessive interest rates, and most important of all the beneficial effects upon the lives and living conditions of people. We must factor in all of these elements, if the costs of H.R. 50 are to be viewed in a sensible light.



We have had prepared some careful quantitative estimates as to the benefits and costs upon enactment of H.R. 50. As we have already said, these estimates are not and should not be included in H.R. 50, which properly leaves it up to the President and the Congress to determine the course of action in reaching full employment, subject to the mandate that it be reached within four years of enactment of H.R. 50. Nonetheless, Our estimates have value, for the purpose of dispelling some very erroneous ideas about the benefits and costs of H.R. 50.

If H.R. 50 becomes law by the end of calendar 1976, our total national production during the four calendar years 1977-1980 inclusive would represent an annual average of 150-255 billion fiscal 1977 dollars higher than would result under a projection of real G.N.P. growth in accord with current national policies and programs. We designate this G.N.P. difference as the incremental growth benefits of H.R. 50. This estimate of incremental growth benefits is very conservative. It is based upon a much more optimistic forecast of the future results of current national policies and programs than most of the current forecasts, including some by the Administration itself. A Joint Economic Committee study, for example, has come up with estimates of a difference much larger than ours. It is also based upon the assumption that, under current Administration policies, there would be no more periods of stagnation or recession under the policies of the current Administration -- an assumption which many excellent economists do not accept.

Now as to costs, as conventionally measured, we have projected that the Federal Budget during the fiscal years 1977-1980, under current national policies and programs, at about the same real average annual growth rate as during the past three years. We have then compared this with some estimates we have had made, as to how much Federal Budget outlays would need to grow, through fiscal 1980, to help achieve full employment by the end of calendar 1980, and to cover all of the costs of all of the Federally conducted or assisted programs contemplated by H.R. 50. This is merely to give perspective, as we have already stated; the President and the Congress, not we, would determine actual Budget outlays, even with H.R. 50 on the books. We designate the difference between the two Budget projections referred to above as the incremental Federal Budget costs of H.R. 50. Our estimates in this respect are also very conservative, because the difference between our estimates of Budget outlays to accomplish the purposes of H.R. 50 and the projections of the current Administration's Budget policy are smaller than many economists insist are necessary to help restore reasonably full economic health within a tolerable number of years. The incremental Budget cost, i.e. the difference between our estimates of needed Budget outlays and the projection of the current Administration's Budget policy comes to 20-40 billion dollars on an average annual basis during the four fiscal years 1977-1980 inclusive. Even this is an overstatement of the incremental Federal Budget costs which H.R. 50 would entail, because our conservative estimates are that the incremental increase in tax revenues (at existing tax rates) which would result from reaching full employment by 1980, in contrast with the tax revenues which would result from the current Administration's policies, would be well in excess of 20-40 billion dollars a year on the average. Thus, even from the viewpoint of the Federal Budget, H.R. 50 would be a bargain. But far more important, the incremental Federal Budget increases of 20-40 billion dollars a year, which I estimate might be attributable to H.R. 50, would be only about one-fifth of the incremental national production benefits attributable directly to H.R. 50. And this takes no account of the benefits, social and human, in terms of full employment and the great priority programs which H.R. 50 would help so much to serve.



What would H.R. 50 do to the Federal deficit and to the Federal debt?

A strong and steady movement toward full employment is the only way to reduce and then remove the Federal deficit. A comparison of the period 1947-1953 with the period 1969-1975 illustrates dramatically that a very strong employment and production performance yields a Federal surplus, and that a very weak performance causes a large deficit.\* The average annual deficit of 32.4 billion dollars during the fiscal years 1971-1977 (1977 est.), and the horrendous Federal deficit of 76 billion (est.) in fiscal 1976 have resulted from the high idleness of workers and other productive resources. The Federal Budget and G.N.P. projections which we have made above, toward reaching full employment by the end of 1980, would result in a Federal deficit during the fiscal years 1977-1980 averaging annually less than one-third as high as during 1971-1977. Under these projections, it is estimated that the deficit in fiscal 1977 would be very much lower than the 43 billion dollars estimated by the President, and the Budget would be practically balanced by fiscal 1979, and show a surplus in the neighborhood of 10 billion in fiscal 1980 (and about 14 billion in calendar 1980). Such can be the results of the increased Federal tax revenues, at existing tax rates, which we will have when we no longer try to squeeze the blood of Federal revenues from the turnip of a starved economy.

Federal Budget outlays in ratio to G.N.P., correspondingly, would drop from 23.5 percent in fiscal 1976 to 20.8 percent in fiscal 1980. And for much the same reasons, the ratio of the gross Federal public debt to G.N.P. would drop from 30.4 percent in fiscal 1976 to 23.2 percent in fiscal 1980.\*\*

What effect would H.R. 50 have upon inflation?

H.R. 50 rejects categorically the discredited "trade-off" idea that higher unemployment reduces inflation, and vice versa. A careful study of the record from 1952 through 1975 shows conclusively that we have come closest to price stability when the record of real economic performance in terms of growth and employment was best, and suffered the worst inflation when the real economic performance was worst.\*\*\* The reduction of inflation during the most recent months, compared with the double digit inflation from first quarter 1974 to first quarter 1975, has come when real production was advancing and unemployment being reduced, and when we were no longer confronted by the types of food shortages and Arab actions which contributed greatly to the double digit inflation. The most recent price trends fortify the record of more than two decades, to the effect that the surest and safest way to combat inflation is to bring about full economic restoration. We firmly believe that 3 percent or probably less annual inflation will be the rule when we maintain full employment and full production on a sustained basis. Nonetheless, short of direct controls which would be undesirable at this time, H.R. 50 proposes a variety of strong measures to restrain inflation.

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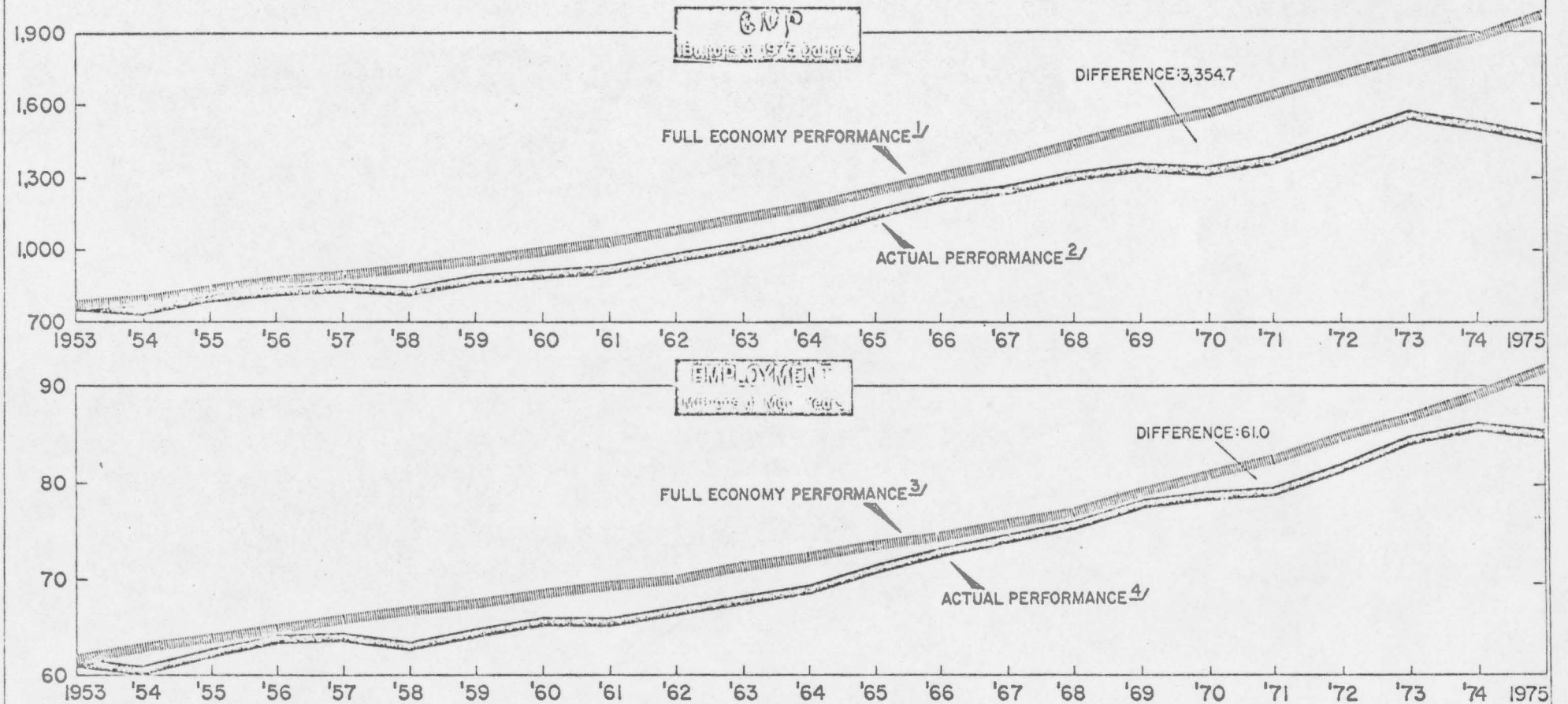
\*See Chart 2.

\*\*See Chart 3.

\*\*\*See Chart 4.



# COST OF DEPARTURES FROM FULL ECONOMY, 1953-1975



<sup>1/</sup> Real average annual growth rate of 4.4 percent.

<sup>2/</sup> Real average annual growth rate of 3.0 percent, the 1953-1975 average.

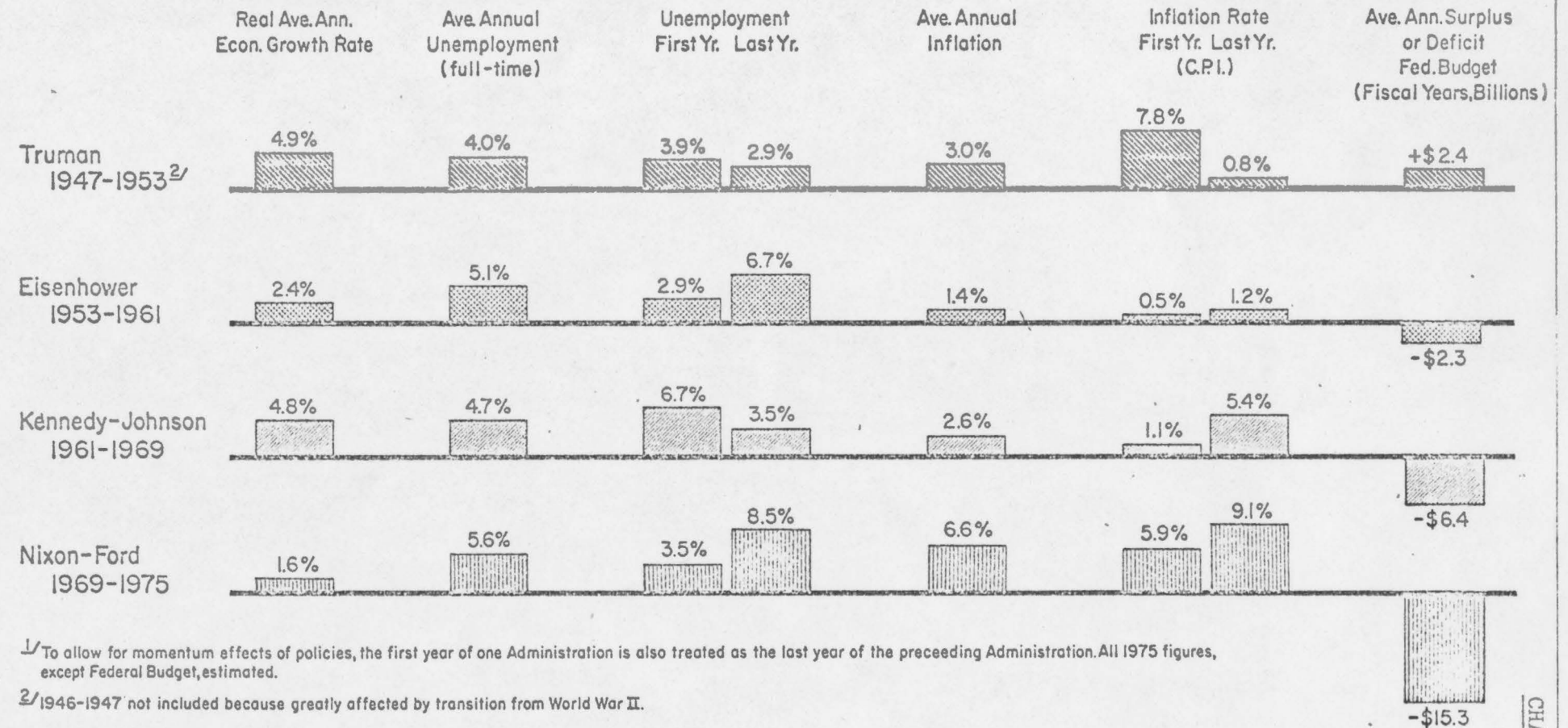
<sup>3/</sup> Average true level of unemployment of 4.1 percent, or 2.9 percent full-time unemployment.

<sup>4/</sup> Average true level of unemployment of 6.8 percent, or 5.0 percent full-time unemployment.

Basic Data: Dept. of Commerce; Dept. of Labor

CHART 1

## U.S. ECONOMIC PERFORMANCE, UNDER VARIOUS NATIONAL ADMINISTRATIONS WITH VARIOUS APPROACHES TO NATIONAL ECONOMIC POLICY<sup>1/</sup>



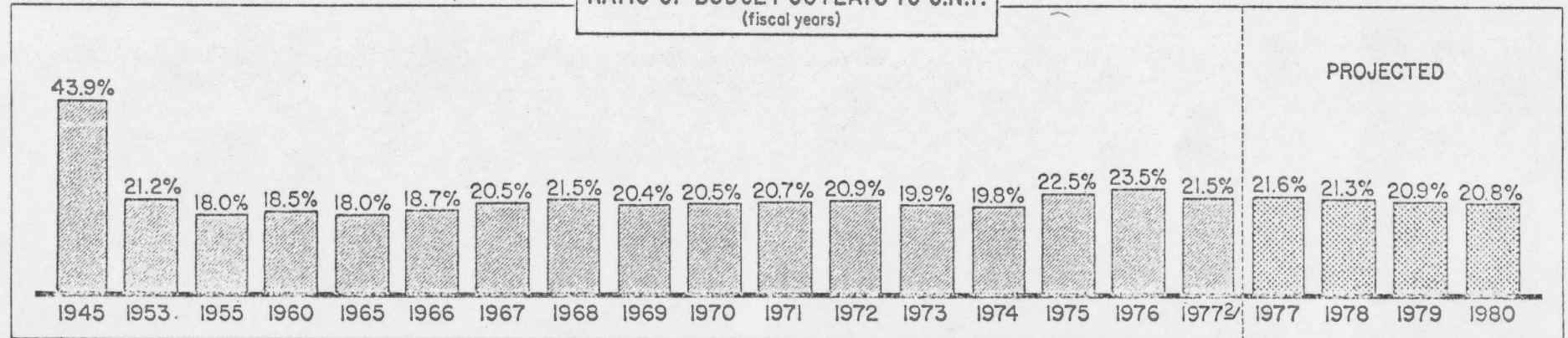
<sup>1/</sup>To allow for momentum effects of policies, the first year of one Administration is also treated as the last year of the preceeding Administration. All 1975 figures, except Federal Budget, estimated.

<sup>2/</sup>1946-1947 not included because greatly affected by transition from World War II.

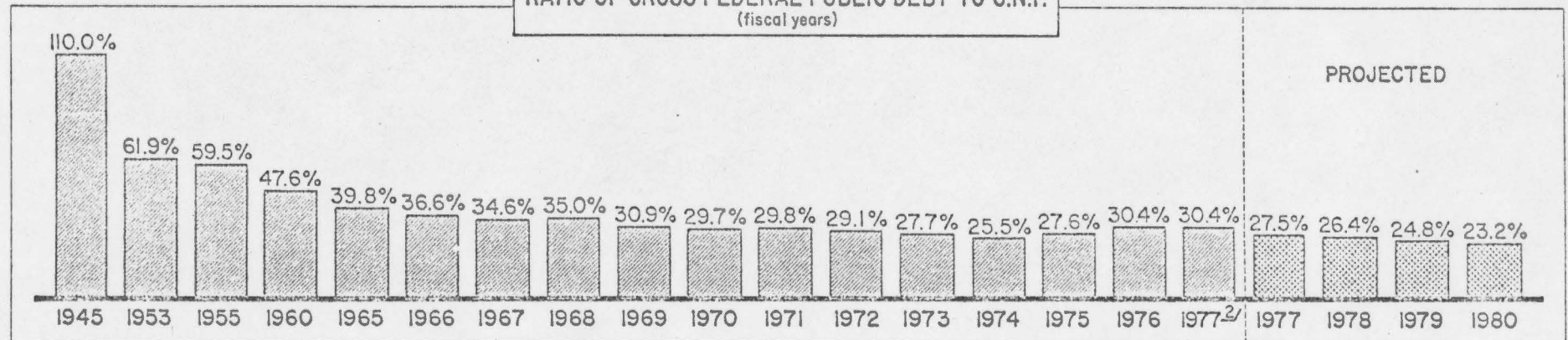
Source: Economic Reports of the President, and Economic Indicators.

# FEDERAL BUDGET OUTLAYS, GROSS FEDERAL PUBLIC DEBT, AND G.N.P. 1945-1977, AND PROJECTED, 1977-1980<sup>1/</sup>

RATIO OF BUDGET OUTLAYS TO G.N.P.  
(fiscal years)



RATIO OF GROSS FEDERAL PUBLIC DEBT TO G.N.P.  
(fiscal years)



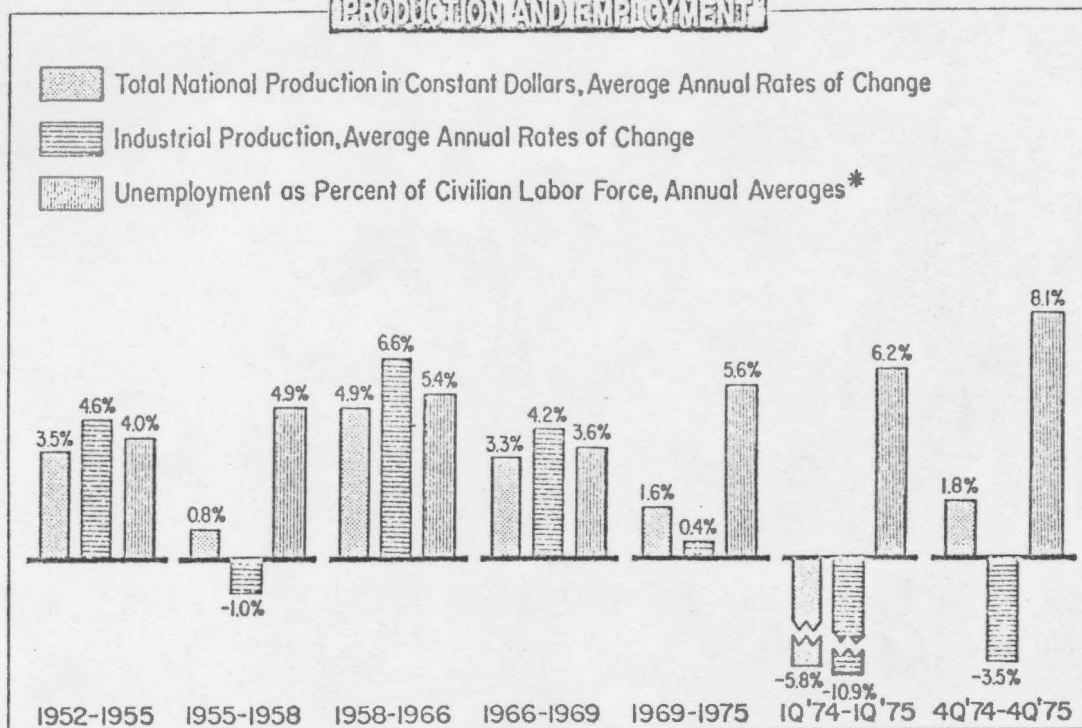
<sup>1/</sup> Projections for Budget, Public Debt, and G.N.P. in accord with "model" Budget and G.N.P. goals.

<sup>2/</sup> In accord with President's 1977 Budget, as submitted on January 21, 1976.

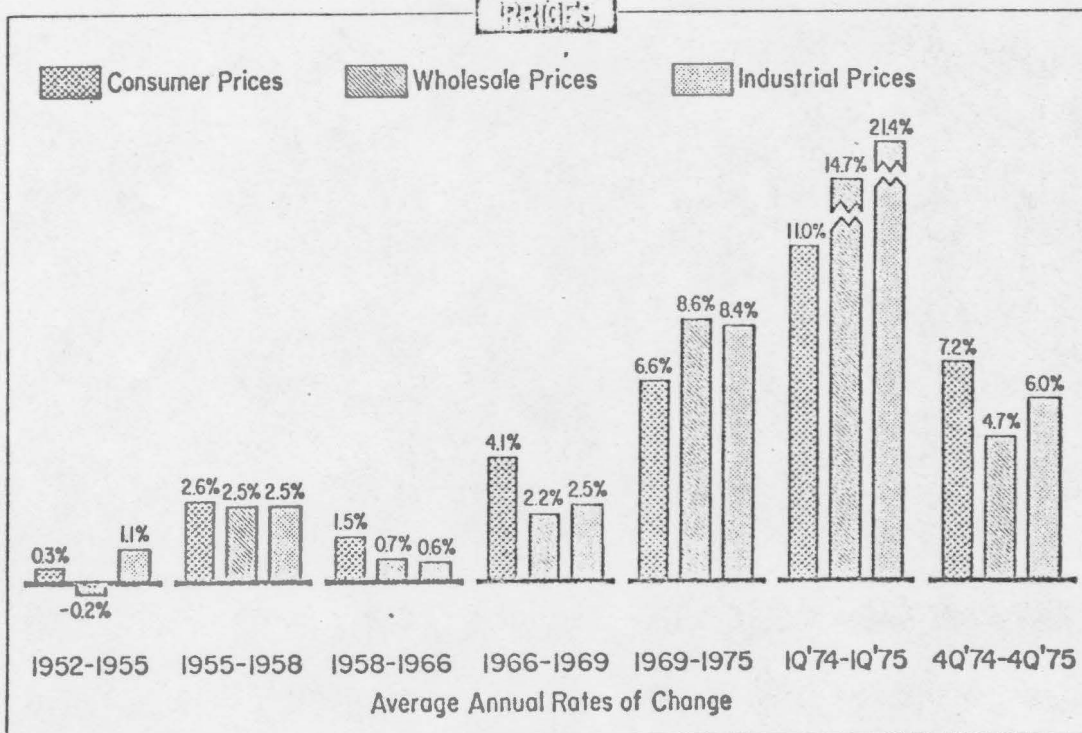


# RELATIVE TRENDS IN ECONOMIC GROWTH UNEMPLOYMENT, & PRICES, 1952-1975<sup>1/</sup>

## PRODUCTION AND EMPLOYMENT



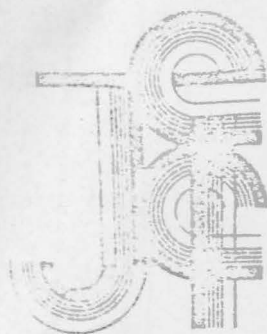
## PRICES



<sup>1/</sup> All 1975 figures estimated.

\* These annual averages (as differentiated from the annual rates of change) are based on full-time officially reported unemployment measured against the officially reported Civilian Labor Force.

Source: Dept. of Labor, Dept. of Commerce, & Federal Reserve System



# Joint Economic Committee

# PRESS RELEASE

94th Congress

FOR IMMEDIATE RELEASE

Friday, March 12, 1976

Hubert H. Humphrey, Minn.  
Chairman

Wright Patman, Texas  
Vice Chairman

Senate

John Sparkman, Alabama  
William Proxmire, Wis.  
Abraham Ribicoff, Conn.  
Lloyd Bentsen, Texas  
Edward Kennedy, Mass.  
Jacob Javits, New York  
Charles H. Percy, Ill.  
Robert Taft, Jr., Ohio  
Paul J. Fannin, Arizona

House of  
Representatives

Richard Bolling, Mo.  
Henry S. Reuss, Wis.  
William S. Moorhead, Pa.  
Lee H. Hamilton, Indiana  
Gillis W. Long, La.  
Clarence J. Brown, Jr. Ohio  
Garry Brown, Michigan  
Margaret M. Heckler, Mass.  
John H. Roussetot, Calif.

Lucy Falcone  
(Economist)  
224-5171

Kathleen MacArthur  
(Press)  
224-1360

Nancy Shands  
(Conference  
Coordinator)

224-7442

## HUMPHREY ANNOUNCES PARTICIPANTS IN NATIONAL CONFERENCE ON FULL EMPLOYMENT

Senator Hubert H. Humphrey (D-Minn.), Chairman of the Joint Economic Committee, today announced the list of participants in the Committee's National Conference on Full Employment, which is being held on March 18 and 19 on the occasion of the 30th anniversary of the passage of the Employment Act of 1946.

Vice President Nelson Rockefeller leads the list of distinguished participants in the two-day conference, which will focus on the changes needed in economic policy if we are to achieve the twin goals of full employment and price stability. The Committee is departing from the normal hearing format by inviting regional representatives to comment on the presentations made by the speakers. At the end of each day's session, there will be questions and comments from the general audience.

In releasing the agenda, Humphrey emphasized that "this conference will be an innovative and useful exchange between Congress and the public on the economic problems we face, and the remedies needed for achieving full employment. We sorely need the input which our speakers and regional commentators will provide."

The conference will be held both days in Room 318 of the Russell Senate Office Building. It had originally been scheduled for the Reserve Officers Association Building and Room 1202 in the Dirksen Senate Office Building. On each day the morning session will begin at 10:00 a.m. and the afternoon session at 2:00 p.m. As seating in Room 318 is limited and a number of special guests have been invited, the press and public are urged to arrive early.

### The Agenda for the Conference follows:

#### Thursday, March 18, Room 318 Russell Senate Office Building

10:00 A.M. Opening Remarks - Nelson Rockefeller, Vice President of  
the United States

Summary of Regional Hearings - Senator Hubert H. Humphrey

#### Nature and Costs of Unemployment and Inflation

Vernon Jordan, President, National Urban League

Maynard Jackson, Mayor of Atlanta

Bishop James Rausch, General Secretary, U.S. Catholic  
Conference

Pat Lucey, Governor of Wisconsin and Chairman Executive  
Management and Fiscal Affairs Committee,  
U.S. Governors Conference

**NOTE-**

**ROOM CHANGE  
TO 318 RUSSELL**



Discussants

Harvey Brenner  
Johns Hopkins University

Gregory Roy  
unemployed worker

Leon Finney  
President, The Woodlawn Organization

Victor Gotbaum  
Exec. Director, N.Y. AFSCME

2:00 P.M. Record under the Employment Act of 1946

Paul McCracken, former Chairman, Council of Economic Advisers

Murray H. Finley, President, Amalgamated Clothing Workers of America

Reginald Jones, Chairman of the Board, General Electric Company

Discussants

Bernard Anderson  
Wharton School of Finance

James Compton  
President, Chicago Urban League

Robert Lekachman  
Lehman College C.U.N.Y.

Ray Marshall  
University of Texas

Friday, March 19, Room 318 Russell Senate Office Building

10:00 A.M. Opening Remarks - Carl Albert, Speaker of the House of Representatives

Policies for Achieving Full Employment: Panel Discussion

Arthur Burns, Chairman, Federal Reserve Board

Alan Greenspan, Chairman, Council of Economic Advisers

Senator Hubert Humphrey

Senator Jacob Javits

Congressman Richard Bolling

Congressman Clarence Brown

Discussants

Frank Morris  
President, Boston Federal Reserve Bank

Byron Johnson  
Univ. of Colorado

Michael Harrington  
Democratic Socialist Organizing Committee

Robert Eisner  
Northwestern University

2:00 P.M. Welcoming Remarks - Coretta Scott King

Policies for Achieving Full Employment

Walter Heller, former Chairman, Council of Economic Advisers

Alice Rivlin, Director, Congressional Budget Office

Leon Keyserling, former Chairman, Council of Economic Advisers

Eli Ginsburg, Chairman, National Commission on Manpower Policy

Hendrik Houthakker, Harvard University



Discussants

William Spring  
Boston University

Hugh O'Malley  
Small Business Service Bureau

Jules Sugarman  
Chief Administrative Officer  
City of Atlanta

Stanley Frankel  
Vice President  
Ogden Corporation

The National Committee for Full Employment will sponsor a dinner in conjunction with the conference on March 19. Senator Humphrey and George Meany, AFL-CIO President, will be the featured speakers at the dinner, which will honor Members of the Joint Economic Committee.

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## [SUBCOMMITTEE PRINT]

MARCH 10, 1976

### PRINT OF H.R. 50 WITH AMENDMENTS

### IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 1975

Mr. HAWKINS (for himself and Mr. REUSS) introduced the following bill;  
which was referred to the Committee on Education and Labor

## A BILL

To establish and translate into practical reality the right of all adult Americans able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to combine full employment, production, and purchasing power goals with proper attention to balanced growth and national priorities; to mandate such national economic policies and programs as are necessary to achieve full employment, production, and purchasing power; to restrain inflation; and to provide explicit machinery for the development and implementation of such economic policies and programs.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 *That this Act and the following table of contents may be*



1 cited as the "Full Employment and Balanced Growth Act  
2 of 1976":

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### GENERAL FINDINGS

1 SEC. 2. (a) The Congress finds that the Nation has  
2 suffered substantial and increasing unemployment and under-  
3 employment, over prolonged periods of time, imposing nu-  
4 merous economic and social costs. Such costs include the  
5 following:

6 (1) The Nation is deprived of the full supply of  
7 goods and services, the full utilization of labor and  
8 capital resources, and the related increase in individual  
9 income and well-being that would exist under conditions  
10 of genuine full employment.

11 (2) Insufficient production is available to meet  
12 pressing national priorities.

13 (3) Workers are deprived of the job security, in-  
14 come, skill development, and productivity necessary to  
15 maintain and advance their standards of living.

16 (4) Business and industry are deprived of the pro-  
17 duction, sales, capital flow, and productivity necessary  
18 to maintain adequate profits, create jobs, and contribute  
19 to meeting society's economic needs.

20 (5) The Nation is exposed to social, psychological,  
21 and physiological costs and traumas, including disruption  
22



1 of family life, loss of individual dignity and self-respect,  
2 and the proliferation of physical and psychological ill-  
3 nesses, drug addiction, crime, and social conflict.

4 (6) Federal, State, and local government economic  
5 activity is undermined as government budget deficits oc-  
6 cur because tax revenues fall and expenditures rise for  
7 unemployment compensation, public assistance, and  
8 other recession-related services in the areas of criminal  
9 justice, drug addiction, and physical and mental health.

10 (b) The Congress further finds:

11 (1) High unemployment often increases inflation  
12 by diminishing labor training and skills; underutilizing  
13 capital resources, reducing the rate of productivity ad-  
14 vance, increasing unit labor costs, reducing the general  
15 supply of goods and services and thereby generating cost-  
16 push inflation. In addition, modern inflation has been due  
17 in large measure to errors in national economic policy,  
18 including erratic monetary policy, inadequate energy  
19 and food policies, and ineffective policies to maintain  
20 competition in the private sector.

21 (2) Although necessary for sound economic policy,  
22 aggregate monetary and fiscal policies are inadequate by  
23 themselves to achieve full employment production and to  
24 restrain inflation. Such policies must be supplemented by

1 more direct private and public measures to create em-  
2 ployment and reduce inflation.

3 (3) Genuine full employment has not been  
4 achieved, in part, because explicit short- and long-term  
5 national economic goals and priorities have not been  
6 established by the President, the Congress, and the  
7 Federal Reserve. Moreover, public and private economic  
8 policies have not been organized and coordinated to  
9 achieve national goals and priorities.

10 (4) Increasing job opportunities and full employ-  
11 ment make a major contribution to the abolition of  
12 discrimination based upon sex, age, race, color, religion,  
13 national origin, and other improper factors.

14 (c) The Congress further finds that an effective full  
15 employment and balanced growth policy should (1) be  
16 based on the development of explicit economic goals and  
17 policies involving the President, the Congress, and the Fed-  
18 eral Reserve, as well as State and local governments, with  
19 full use of the resources and ingenuity of the private  
20 sector of the economy, and (2) include programs specifically  
21 designed to reduce high unemployment due to recessions,  
22 and to reduce structural unemployment within regional  
23 areas and among particular labor force groups.

24 (d) The Congress further finds that full employment  
25 and balanced growth are important national requirements

1 that will promote the economic security and well-being of  
2 all our citizens.

### 3 TITLE I—ESTABLISHMENT OF GOALS, PLAN- 4 NING, AND GENERAL ECONOMIC POLICIES

#### 5 STATEMENT OF PURPOSE

6 SEC. 101. It is the purpose of this title to declare the  
7 general policies of this Act, to provide an open process under  
8 which annual economic goals are proposed, reviewed, and  
9 established, to provide for the development of a long-range  
10 Full Employment and Balanced Growth Plan, to provide  
11 for economy in government measures, to ensure that mone-  
12 tary, fiscal, anti-inflation, and general economic policies are  
13 used to achieve the annual economic goals and support the  
14 goals and priorities of the Full Employment and Balanced  
15 Growth Plan, and generally to strengthen and supplement  
16 the purposes and policies of the Employment Act of 1946.

#### 17 DECLARATION OF POLICY

18 SEC. 102. (a) Section 2 of the Employment Act of  
19 1946 (15 U.S.C. 1021) is amended to read as follows:

#### 20 "DECLARATION OF POLICY

21 "SEC. 2. (a) The Congress hereby declares that it is  
22 the continuing policy and responsibility of the Federal Gov-  
23 ernment to use all practicable means, consistent with its  
24 needs and obligations and other essential national policies,  
25 with the assistance and cooperation of industry, agriculture,

1 labor, and State and local governments, to coordinate and  
2 utilize all its plans, functions, and resources for the purpose  
3 of creating and maintaining, in a manner calculated to foster  
4 and promote free competitive enterprise and the general  
5 welfare, conditions which promote balanced growth and use-  
6 ful employment opportunities, including self-employment, for  
7 those able, willing, and seeking to work, and to promote full  
8 employment, production, and purchasing power.

9 "(b) The Congress declares and establishes the right  
10 of all adult Americans able, willing, and seeking work to  
11 opportunities for useful paid employment at fair rates of  
12 compensation.

13 "(c) The Congress further declares that inflation is a  
14 major national problem requiring improved government poli-  
15 cies relating to food, energy, improved fiscal and monetary  
16 management, economy in government, the reform of out-  
17 moded government rules and regulations, the correction of  
18 structural defects in the economy that prevent or seriously  
19 impede competition in private markets, and other measures."

#### 20 ECONOMIC GOALS AND THE ECONOMIC REPORT OF THE 21 PRESIDENT

22 SEC. 103. Section 3 (a) of the Employment Act of 1946  
23 is amended to read as follows:

24 "SEC. 3. (a) The President shall transmit to the Con-  
25 gress not later than January 20 of each year an economic



1 report (hereinafter called the 'Economic Report') setting  
2 forth for each year—

3 “(1) current and foreseeable trends in the levels of  
4 employment, production, and purchasing power and a  
5 review and analysis of economic conditions affecting these  
6 economic trends in the United States;

7 “(2) annual numerical goals for employment, pro-  
8 duction, and purchasing power that are designed to  
9 achieve balanced growth and full employment of the  
10 Nation's human and capital resources as promptly as  
11 possible;

12 “(3) a numerical long-term full employment goal  
13 which is (A) consistent with the minimum level of  
14 frictional unemployment necessary for efficient job search  
15 and mobility in the labor force, and (B) consistent with  
16 the aggregate long-term economic goals and priorities  
17 set forth in the Full Employment and Balanced Growth  
18 Plan required under section 3A; and

19 “(4) the programs and policies for carrying out the  
20 policy declared in section 2 of this Act, as well as the  
21 numerical economic goals of paragraph (2) of this  
22 subsection, together with such recommendations for leg-  
23 islation as the President deems necessary or desirable in  
24 order to achieve full employment and balanced growth  
25 as promptly as possible.”

# 1 FULL EMPLOYMENT AND BALANCED GROWTH PLAN

2 SEC. 104. The Employment Act of 1946 is amended  
3 by adding after section 3 the following new section:

## 4 “FULL EMPLOYMENT AND BALANCED GROWTH PLAN

5 “SEC. 3A. (a) In conjunction with the first Economic  
6 Report after enactment of this section, or within ninety days  
7 after the enactment of this section, whichever may come  
8 earlier, and thereafter in conjunction with each annual  
9 Economic Report, the President shall transmit to the Con-  
10 gress a proposed Full Employment and Balanced Growth  
11 Plan, prepared with the assistance of the Council of Eco-  
12 nomic Advisers, and in consultation with the Office of  
13 Management and Budget. The Plan shall propose, in quan-  
14 titative and qualitative terms, and for the number of years  
15 feasible, long-term national goals related to full employ-  
16 ment, production, purchasing power, and other essential  
17 priority purposes, and the major policies and programs, in-  
18 cluding recommendations for legislation, to achieve such goals  
19 and priorities. In developing the goals, the President shall  
20 take into account the level and composition of each factor  
21 needed to maintain economic balance and full resource use  
22 and to meet priority needs.

23 “(b) The Full Employment and Balanced Growth Plan  
24 shall set forth the foreseeable trends in economic and social  
25 conditions, provide estimates of the unmet economic and

1 social needs of the Nation, and identify the human, capital,  
2 and national resources available and needed for the achieve-  
3 ment of the economic and related social goals and priorities  
4 established in the Full Employment and Balanced Growth  
5 Plan.

6 “(e) The Full Employment and Balanced Growth Plan  
7 shall contain long-term economic goals as follows—

8 “(1) full employment goals set at the number  
9 of jobs to be provided for adult Americans in order  
10 to reduce unemployment to the minimum level of fric-  
11 tional unemployment consistent with efficient job search  
12 and labor mobility;

13 “(2) full production goals set at the levels of  
14 output estimated to be yielded by achievement of the  
15 full employment goals as defined above, with expected  
16 improvements in productivity; and

17 “(3) full purchasing power goals set at levels  
18 estimated to be necessary for attaining and maintain-  
19 ing full employment and production while contribut-  
20 ing to an equitable distribution of purchasing power.

21 “(d) In carrying out the provision of paragraph (1)  
22 of subsection (c), the full employment goal shall be  
23 consistent with a rate of unemployment not in excess of  
24 3 per centum of the adult Americans in the civilian labor  
25 force, to be attained as promptly as possible, but within not

1 more than four years after the enactment of the Full Em-  
2 ployment and Balanced Growth Act of 1976. Within one  
3 year of the date of enactment of the Full Employment and  
4 Balanced Growth Act of 1976, the President shall review the  
5 full employment goal and timetable required by this section  
6 and report to Congress on any obstacles to its achievement  
7 and, if necessary, propose corrective economic measures to  
8 insure that the full employment goal and timetable are  
9 achieved.

10 “Priorities, policies, and programs

11 “(e) To contribute to the achievement of the general  
12 economic goals established in sections 3 (a) (2) and 3A (c)  
13 of this Act, the Full Employment and Balanced Growth Plan  
14 shall propose priority policies and programs that comprise  
15 a full employment program that provides productive non-  
16 wasteful jobs and that reorder national priorities and  
17 employ the jobless in the production of goods and services  
18 which add to the strength of the economy, the wealth of the  
19 Nation, and the well-being of the people. Such policies and  
20 programs shall not be set forth in the programmatic detail  
21 developed by specialized Federal agencies, and by others  
22 in the public and private sectors, but only sufficiently to  
23 furnish an integrated perspective of our needs and capabilities  
24 and as a long-run guide to optimum private, Federal, State,  
25 and local government action. Priority policies and programs



1 to support full employment and balanced growth shall ini-  
2 tially include--

3 "(1) development of energy, transportation, food,  
4 small business, and environmental improvement policies  
5 and programs required for full employment and balanced  
6 economic growth, and required also to combat inflation  
7 by meeting full economic levels of demand;

8 "(2) the quality and quantity of health care, educa-  
9 tion, day care, and housing, essential to a full economy  
10 and moving gradually toward adequacy for all at costs  
11 within their means;

12 "(3) Federal aid to State and local governments,  
13 especially for public investment and unemployment  
14 related costs;

15 "(4) national defense and other needed interna-  
16 tional programs; and

17 "(5) such other priority policies and programs as  
18 the President deems appropriate.

19 "(f) The President shall establish procedures to insure  
20 that members of the Cabinet, relevant regulatory agencies,  
21 other relevant officers of the executive branch, and the  
22 Chairman of the Advisory Committee on Full Employment  
23 and Balanced Growth have an opportunity to review and  
24 make recommendations to the President prior to his or her

1 submission of the Full Employment and Balanced Growth  
2 Plan to the Congress. The annual reports of departments  
3 and agencies shall include reports on any actions and studies  
4 undertaken related to the implementation of the Full Em-  
5 ployment and Balanced Growth Plan.

6 "(g) At the time of the submission of the proposed  
7 Full Employment and Balanced Growth Plan to the Con-  
8 gress, the President shall transmit copies of the Plan to the  
9 Governor of each State and to other appropriate State and  
10 local officials. Within sixty days after the submission to Con-  
11 gress of the proposed Full Employment and Balanced Growth  
12 Plan, the Governor of each State may submit to the Joint  
13 Economic Committee a report containing findings and rec-  
14 ommendations with respect to the proposed Plan. Any such  
15 report submitted by a Governor shall include the views and  
16 comments of citizens within the State, after public hearings  
17 have been held within the State."

18 ECONOMY IN GOVERNMENT

19 SEC. 105. (a) The Congress finds and declares that  
20 widespread duplication and contradiction among Federal  
21 departments and agencies, the failure to establish long-term  
22 priorities, lack of adequate information on the impact of  
23 Federal regulations and programs, and the lack of a process  
24 for developing more efficient alternatives for achieving the

1 Nation's priorities are impeding the Federal Government in  
 2 efficiently implementing full employment and balanced  
 3 growth policies. The Congress further declares that genuine  
 4 efficiency in government requires time and planning. Ac-  
 5 cordingly, it is the purpose of this section to utilize the com-  
 6 prehensive planning framework established by section 104  
 7 to improve the efficiency and economy of the Federal  
 8 Government.

9 (b) In carrying out this section, the President shall,  
 10 in conjunction with the submission of each Full Employment  
 11 and Balanced Growth Plan, submit proposals for improving  
 12 the efficiency and economy of the Federal Government,  
 13 including, but not necessarily limited to—

14 (1) a review of existing Government rules and  
 15 regulations to determine if they still serve a public pur-  
 16 pose and are properly designed; and

17 (2) an annual evaluation of 20 per centum of the  
 18 dollar volume of existing Federal programs which are  
 19 in effect each year, and the submission to Congress of a  
 20 formal analysis of the economic and social impact and  
 21 value of each program.

#### 22 FISCAL AND MONETARY POLICIES

23 SEC. 106. (a) The Employment Act of 1946 is amended  
 24 by inserting after section 3A, as added by this Act, the fol-  
 25 lowing new section:

#### 1 "FISCAL AND MONETARY POLICIES"

2 "SEC. 3B. (a) The President's Budget and Economic  
 3 Report shall be consistent with the Full Employment and  
 4 Balanced Growth Plan, and the Economic Report shall set  
 5 forth for each year the following:

6 "(1) The level and composition of Federal expendi-  
 7 tures, measured against estimated capabilities at full employ-  
 8 ment and production, necessary to support the annual eco-  
 9 nomic goals proposed in section 3 and to support the Full  
 10 Employment and Balanced Growth Plan, taking into account  
 11 the role of the private sector and of State and local govern-  
 12 ments in supporting these purposes. The President shall also  
 13 make a determination of the extent to which the use of ag-  
 14 gregate fiscal and monetary policy, without the supplemen-  
 15 tary employment policies provided in the Full Employment  
 16 and Balanced Growth Act of 1976, will achieve the produc-  
 17 tion, employment, purchasing power, and priority goals  
 18 required in sections 3 and 3A. Whenever the economy is  
 19 operating at full production and employment, or subjected  
 20 to excessive overall strain, the general principle to be fol-  
 21 lowed is that priority expenditures established in section 3A  
 22 (e) shall not in general be reduced, allowing for some varia-  
 23 tions for countercyclical purposes, so long as it is feasible to  
 24 reduce relatively less important expenditures, or to resort to  
 25 means set forth in paragraph (2) below.



1 “(2) Federal tax policy consistent with expenditure  
2 levels in paragraph (1) of this subsection necessary to (A)  
3 balance the Federal budget or create a surplus under con-  
4 ditions of full production, employment and purchasing power,  
5 (B) restrain excessive economic activity and inflation when  
6 total demand threatens to exceed the Nation’s capabilities at  
7 full employment, (C) avoid fiscal drag upon the economy  
8 during any periods of substantial economic slack, and (D)  
9 contribute to the needed level and distribution of purchasing  
10 power.

11 “(3) A monetary policy designed to assure such rate of  
12 growth in the Nation’s money supply, such interest rates,  
13 and such credit availability, including policies of credit re-  
14 form, allocation, and international capital flows as are con-  
15 ducive to achieving and maintaining the full employment,  
16 production, purchasing power and priority goals specified in  
17 sections 3 and 3A.

18 “(b) The Board of Governors of the Federal Reserve  
19 System shall transmit to the President and the Congress,  
20 within fifteen days after the transmission of the Economic  
21 Report or the Full Employment and Balanced Growth Plan,  
22 whichever may come earlier, an independent statement  
23 setting forth its intended policies for the year ahead with  
24 respect to its functions, the extent to which these policies  
25 will support the achievement of the goals in section 3 and

1 section 3A, and a full justification for any substantial vari-  
2 ations from the President’s goals and recommendations. If  
3 the President determines that the Board’s policies are incon-  
4 sistent with the achievement of the goals and policies prop-  
5 osed under this Act, the President shall make recommenda-  
6 tions to the Board and to the Congress to insure closer  
7 conformity to the purposes of this Act.”

#### 8 ANTI-INFLATION POLICIES 8

9 SEC. 107. (a) Section 3 of the Employment Act of  
10 1946 is amended by adding at the end thereof the following:

11 “(d) The Economic Report shall each year contain  
12 a comprehensive set of anti-inflation policies, including, but  
13 not necessarily limited to—

14 “(1) a comprehensive information system to moni-  
15 tor and analyze inflationary trends in individual eco-  
16 nomic sectors, including information on the interna-  
17 tional sector, so that the President and Congress can be  
18 alerted to developing inflation problems and bottlenecks;

19 “(2) the use of monetary and fiscal policy geared  
20 to the capabilities of the economy operating at full em-  
21 ployment as provided in section 3B;

22 “(3) programs and policies in the Full Employ-  
23 ment and Balanced Growth Plan for increasing the  
24 supply of goods, services, labor, and capital in struc-

1 naturally tight markets, with particular emphasis on in-  
 2 creasing the supply of food and energy;  
 3 “(4) provision for an export licensing mechanism  
 4 for food and other critical materials when the national  
 5 well-being is threatened because projected supplies are  
 6 inadequate to meet domestic needs without drastically  
 7 increasing prices, and the establishment of stockpile  
 8 reserves of food and other critical materials in order  
 9 to meet emergencies such as floods and famines and to  
 10 maintain reasonable price stability and adequate farm  
 11 income;  
 12 “(5) encouragement to labor and management to  
 13 increase productivity within the national framework of  
 14 full employment through voluntary arrangements in  
 15 industries and economic sectors;  
 16 “(6) recommendations to strengthen and enforce  
 17 the antitrust laws and such other recommendations as  
 18 are necessary to increase competition in the private  
 19 sector; and  
 20 “(7) recommendations for administrative and legis-  
 21 lative actions to promote reasonable price stability if  
 22 situations develop that seriously threaten national price  
 23 stability.

# COUNCIL OF ECONOMIC ADVISERS

1  
 2 SEC. 108. (a) The second sentence of section 4 (a) of  
 3 the Employment Act of 1946 is amended by inserting “full”  
 4 immediately after “promote”.

5 (b) (1) Section 4 (c) (1) of such Act is amended by  
 6 inserting immediately after the semicolon a comma and the  
 7 following: “and the Full Employment and Balanced Growth  
 8 Plan”.

9 (2) Section 4 (c) (4) of such Act is amended by insert-  
 10 ing “full” immediately after “maintain”.

11 (c) (1) Section 4 (e) (1) of such Act is amended by  
 12 inserting immediately before the semicolon a comma and the  
 13 following: “and shall consult with the Advisory Committee  
 14 established under section 6.”

15 (2) Section 4 (e) of such Act is amended by striking  
 16 out the period at the end of paragraph (2) and inserting in  
 17 lieu thereof a semicolon, and by adding after such paragraph  
 18 (2) the following:

19 “(3) In this connection, the Council is authorized and  
 20 directed to seek and obtain the cooperation of the various  
 21 executive and independent agencies in the development of  
 22 specialized studies essential to its responsibilities.”



ADVISORY COMMITTEE ON FULL EMPLOYMENT AND  
BALANCED GROWTH

SEC. 109. The Employment Act of 1946 is amended by adding at the end thereof the following new section:

“ADVISORY COMMITTEE ON FULL EMPLOYMENT AND  
BALANCED GROWTH

“SEC. 6: (a) To furnish advice and assistance to the Council of Economic Advisers in the preparation and review of the Economic Report and Full Employment and Balanced Growth Plan, there is established an Advisory Committee on Full Employment and Balanced Growth, which shall consist of—

“(1) four members appointed by the President;

“(2) four members appointed by the Speaker of the House of Representatives; and

“(3) four members appointed by the President pro tempore of the Senate.

“(b) The Committee shall elect a Chairman, and shall meet at the call of the Chairman, but not less than twice a year. The members of the Advisory Committee shall be appointed for terms of two years from among representatives of labor, industry, agriculture, consumers, and the public at large, who are especially competent by virtue of background and experience to furnish advice to the Council on the views

and opinions of broad segments of the public on matters involved in the formulation and implementation of goals and policies for full employment and balanced growth.

“(c) Each member of the Advisory Committee shall be entitled to be compensated at a rate equal to the per diem equivalent of the rate for an individual occupying a position at level III of the Executive Schedule under section 5314 of title 5, United States Code, when engaged in the actual performance of his or her duties as such a member, and each member shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his or her duties.

“(d) The Advisory Committee is authorized to establish regional or industry advisory subcommittees to furnish advice and assistance to it. Each such subcommittee shall consist of at least one member of the Advisory Committee and shall be broadly representative of the particular region or industry, including business, labor, and consumer interests.

“(e) The Chairman of the Council of Economic Advisers shall furnish the Advisory Committee with such personnel, facilities, and services as he or she deems necessary to enable the Advisory Committee to perform its functions under this Act.”.

1 TITLE II—COUNTERCYCLICAL, STRUCTURAL,  
2 AND YOUTH EMPLOYMENT POLICIES

3 STATEMENT OF PURPOSE

4 SEC. 201. It is the purpose of this title to establish  
5 supplementary employment policies to close the employ-  
6 ment gap, if one should exist, between the levels of em-  
7 ployment achieved through aggregate monetary and fiscal  
8 policy and the employment goals established in sections 3  
9 and 3A of the Employment Act of 1946. Accordingly, this  
10 title establishes a system of comprehensive and flexible em-  
11 ployment policies to create jobs in both the private and  
12 public sectors of the economy that encourages the optimum  
13 contribution of the private sector and State and local gov-  
14 ernments toward the achievement of the goals and purposes  
15 of this Act. These supplementary employment policies shall  
16 vary according to economic conditions and the other actions  
17 taken under this Act, but shall have the broad objective of  
18 reducing cyclical, structural, regional, and youth unemploy-  
19 ment, and unemployment due to discrimination. It is also  
20 the purpose of this title to establish a Full Employment  
21 Office within the Department of Labor to use special means  
22 for training and providing employment for those people who  
23 are otherwise unable to find employment. It is the further  
24 purpose of this title to mandate improved integration of  
25 income maintenance programs and full employment policies.

1 COUNTERCYCLICAL EMPLOYMENT POLICIES

2 SEC. 202. (a) (1) The Congress finds and declares  
3 that—

4 (A) the Nation has been unprepared to promptly  
5 implement employment policies during periods of eco-  
6 nomic downturn and resultant high unemployment;

7 (B) existing policies are so diffused and fragmented  
8 at all levels of government that it has been impossible  
9 to implement a comprehensive countercyclical employ-  
10 ment program in a coordinated manner; and

11 (C) the lack of a coherent, flexible, countercyclical  
12 employment policy reduces the prospects of the Nation  
13 solving economic and related social problems which  
14 threaten fundamental national interests and objectives,  
15 including those specified by this Act.

16 (2) It is the purpose of this section to require the  
17 development of a coherent and flexible countercyclical em-  
18 ployment policy, creating jobs in both the private and  
19 public sectors that are valuable to States, local communities  
20 and the Nation, and thereby reducing employment gaps  
21 that may remain despite the appropriate implementation of  
22 other provisions of this Act.

23 (b) (1) To carry out the provisions of this section, the  
24 President shall within ninety days after the date of enact-  
25 ment of this Act transmit to the Congress a comprehensive



1 proposal, together with such legislation as is necessary,  
 2 which shall establish on a permanent basis the range of  
 3 supplementary employment policies and programs necessary  
 4 to reduce high unemployment arising from cyclical move-  
 5 ments in the economy. The countercyclical action provided  
 6 for in this section relates to periods of high unemployment,  
 7 regardless of the stage of the business cycle.

8 (2) In establishing the component parts of such a  
 9 comprehensive proposal, and making a determination of the  
 10 role of each, the President should consider the following  
 11 programmatic entities—

12 (A) countercyclical public service employment;

13 (B) accelerated public works, including the devel-  
 14 opment of standby public works projects;

15 (C) State and local countercyclical grant programs  
 16 as specified in section 203;

17 (D) the levels and duration of unemployment in-  
 18 surance;

19 (E) skill training in both the private and public  
 20 sectors, both as a general remedy, and as a supplement  
 21 to unemployment insurance;

22 (F) youth employment programs as specified in  
 23 section 205;

24 (G) a community development program to provide

1 employment in activities of value to the States, local  
 2 communities, and the Nation; and

3 (H) augmentation of other employment and man-  
 4 power programs that would prove helpful in meeting  
 5 high levels of unemployment from cyclical causes.

6 (c) To insure that the component parts of the counter-  
 7 cyclical proposal establishes an integrated and flexible pro-  
 8 gram, the President shall—

9 (1) utilize existing employment and training  
 10 mechanisms as appropriate;

11 (2) provide for advance planning for counter-  
 12 cyclical employment programs among the Federal De-  
 13 partments and agencies;

14 (3) provide for an automatic trigger or set of co-  
 15 ordinated triggers that would implement the program  
 16 during a period of rising unemployment, and phase out  
 17 the program when unemployment is appropriately re-  
 18 duced;

19 (4) insure that allocation of employment assistance  
 20 takes into account the severity and geographic distribu-  
 21 tion of unemployment, and the special needs of the  
 22 unemployed groups within the labor force;

23 (5) provide for a well balanced combination of job

1 creation and related activities in both the private and  
2 public sectors of the economy; and

3 (6) incorporate effective transitional mechanisms  
4 to facilitate individuals assisted under programs devel-  
5 oped pursuant to this section to return promptly to  
6 regular private and public employment as the economy  
7 recovers.

8 COORDINATION WITH STATE AND LOCAL GOVERNMENT AND  
9 PRIVATE SECTOR ECONOMIC ACTIVITY

10 SEC. 203. (a) As an integral part of the comprehensive  
11 countercyclical employment policies established under section  
12 202, the President shall set forth programs and policies to  
13 facilitate harmonious economic action among the Federal  
14 Government, regions, States and localities and the private  
15 sector to promote the (1) achievement of the goals and  
16 priorities of this Act and the Employment Act of 1946,  
17 and (2) an economic environment in which State and  
18 local governments and private sector economic activity and  
19 employment will prosper and essential services will be  
20 maintained.

21 (b) As a primary effort to meet the requirements of  
22 this section, the President shall within ninety days after the  
23 date of enactment of this Act transmit to the Congress  
24 legislation creating a permanent, countercyclical grant pro-  
25 gram that will serve to stabilize State and local budgets

1 during periods of recession and high unemployment. In  
2 formulating this proposal, the President shall endeavor to  
3 meet criteria that establish a program (1) funded to take  
4 into account total State and local expenditures and the na-  
5 tional unemployment rate; and (2) automatically imple-  
6 mented when the national unemployment rate exceeds a  
7 specified rate.

8 REGIONAL AND STRUCTURAL EMPLOYMENT POLICIES

9 SEC. 204. (a) (1) The President shall within one  
10 hundred and eighty days after the date of enactment of this  
11 Act transmit to Congress a comprehensive regional and struc-  
12 tural employment proposal, including such legislation as  
13 necessary, designed to reduce the chronic underutilization of  
14 human and capital resources in certain areas of the country  
15 and in groups within the labor force. In formulating the  
16 regional components of such a proposal, the President shall  
17 encourage private sector production and employment to  
18 locate within depressed regions and inner cities. The Presi-  
19 dent's regional employment proposal shall also include an  
20 analysis of the extent to which Federal Government tax,  
21 expenditure, and employment policies have influenced the  
22 movement of people, jobs, and industry from chronic high  
23 unemployment regions and areas, and proposals designed  
24 to correct Federal policies that have an adverse economic  
25 impact upon such regions and areas.



(2) In formulating the structural components of such an employment program, the President shall utilize existing employment and training mechanisms and other existing programs, as appropriate, and such other measures as necessary.

(b) To further meet the requirements of this section, the President shall transmit to the Congress, within one hundred and eighty days after the date of enactment of this Act, legislation providing an institutional means designed to encourage (1) public and private investment in economically depressed regions, inner cities, and economic sectors; and (2) provide an alternative source of capital funds for local and State governments to finance public facilities. In formulating the legislation required by this section, the President shall include provision for—

(1) long-term loans at low rates of interest no higher than the average rate of long-term Treasury borrowings plus service costs;

(2) capitalization through public stock and bond subscriptions, stock purchases by the State governments, local governments, and businesses that benefit from the program, and financial assistance from the Federal Government; and

(3) criteria setting priorities for assistance to State and local government and businesses, with special atten-

tion to areas with unemployment rates consistently and significantly in excess of the national average, to achieve the objective of increasing employment in such areas, and increasing total employment.

#### YOUTH EMPLOYMENT POLICIES

SEC. 205. (a) The Congress finds and declares that—

(1) serious unemployment and economic disadvantage exist among youths, this group constitutes a substantial portion of the Nation's unemployment, and this significantly contributes to crime, drug addiction, and other social and economic problems;

(2) many youths have special employment needs and problems which, if not promptly addressed, will substantially contribute to more severe unemployment problems in the long run;

(3) a significant number of youths in certain areas even in the best of economic circumstances do not have adequate access to employment opportunities providing effective entry into the labor force; and

(4) existing employment programs for youth are fragmented and inadequate, and the special needs and problems of youth unemployment require the development of a permanent, comprehensive youth employment program which will meet the job needs of youth.

(b) To meet the requirements of subsection (a), the

1 President shall transmit to Congress within ninety days  
 2 after the date of enactment of this Act legislation creating a  
 3 comprehensive youth employment program, which—

4 (1) utilizes the resources and facilities of existing  
 5 youth employment and training programs that are  
 6 designed to provide job opportunities for youths,

7 (2) provides for other policies and programs neces-  
 8 sary to provide employment for youths, and

9 (3) contributes to carrying out the policies of this  
 10 Act and the Employment Act of 1946.

11 (c) In formulating such a program, the President shall  
 12 include provisions designed to—

13 (1) fully coordinate youth employment activities  
 14 with other employment and manpower programs;

15 (2) develop a smoother transition from school to  
 16 work by fostering a more effective partnership between  
 17 educational and employment institutions, such as busi-  
 18 nesses, employer associations, and labor unions;

19 (3) prepare disadvantaged and other youths with  
 20 employability handicaps for regular self-sustaining em-  
 21 ployment through education, training, medical services,  
 22 counseling, and other support activities;

23 (4) develop realistic methods for combining train-  
 24 ing with work, including apprenticeship and on-the-job  
 25 training in the private sector; and

1 (5) provide job opportunities for youths in a variety  
 2 of tasks, including conservation, public service activities,  
 3 inner city cleanup and rehabilitation, and other jobs of  
 4 value to States, local communities, and the Nation.

#### 5 FULL EMPLOYMENT OFFICE AND RESERVOIRS OF 6 EMPLOYMENT PROJECTS

7 SEC. 206. (a) In order to insure that full employment is  
 8 achieved under this Act, the President, through the Secre-  
 9 tary of Labor, shall develop policies, procedures, and pro-  
 10 grams to provide employment opportunities to adult  
 11 Americans able, willing, and seeking to work but who,  
 12 despite a serious effort to obtain employment, are unable  
 13 to do so in the general economic environment, or through  
 14 any of the other provisions of this Act.

15 (b) There is established within the Department of Labor  
 16 a Full Employment Office to assist the Secretary of Labor  
 17 in providing the employment opportunities required under  
 18 subsection (a). Under the supervision of the Secretary of  
 19 Labor, the Office shall be phased in consistent with subsec-  
 20 tion (d) of this section.

21 (c) In meeting the responsibilities to provide job oppor-  
 22 tunities under subsection (a), the Secretary of Labor shall,  
 23 as appropriate—

24 (1) provide counseling, training, and other support

---

Erratum:

Between lines 11 and 12 insert the following line:

11A "ing work are not provided with job opportunities under sec-"



1 activities necessary to prepare persons willing and seek-  
2 ing work for employment;

3 (2) refer persons able, willing, and seeking to work  
4 to job opportunities in the private and public sectors  
5 through the existing public employment placement facil-  
6 ities and through the United States Employment Serv-  
7 ice; and

8 (3) refer persons willing, able, and seeking to work  
9 to job opportunities in positions drawn from sections  
10 202, 204, and 205 of this Act.

11 (d) Insofar as adult Americans able, willing, and seek-  
12 tion 206 (c) or otherwise under this Act, such opportunities  
13 shall be provided by the President through reservoirs of fed-  
14 erally operated public employment projects and private  
15 nonprofit employment projects approved by the Secretary  
16 of Labor. The number and nature of such reservoirs of em-  
17 ployment projects shall be determined in conjunction with  
18 the policies and programs of the Full Employment Office  
19 established under subsection (b) and the other job creation  
20 provisions of this Act. The provisions of this subsection shall  
21 be phased in by the President, in conjunction with the annual  
22 employment recommendations required under section 3 of  
23 the Employment Act of 1946, in order to achieve a rate of  
24 unemployment not in excess of 3 per centum as established  
25 by section 3A (d) of such Act.

1 (e) The Secretary, in carrying out the provisions of  
2 this section, shall establish such regulations as he or she  
3 deems necessary. Such regulations shall include provisions  
4 for—

5 (1) an initial determination by the Full Employ-  
6 ment Office of the job seekers' ability to be employed  
7 at certain types and duration of work so that he or  
8 she may be appropriately referred to jobs, training,  
9 counseling, and other supportive services;

10 (2) compliance with the nondiscrimination pro-  
11 visions of this Act in accordance with section 401;

12 (3) such priority criteria as may be appropriate to  
13 establish the order in which persons able, willing, and  
14 seeking to work are provided jobs under this section, so  
15 that such persons who most need employment are given  
16 first consideration and, in determining the priority order,  
17 the Secretary shall consider such factors as duration of  
18 unemployment, the number of employed persons in a  
19 household, number of people economically dependent  
20 upon any such person, expiration of unemployment  
21 insurance, household income, and any other factors  
22 essential to determining employment need;

23 (4) appropriate eligibility criteria to limit access  
24 to the program authorized under subsection (d), includ-  
25 ing but not limited to such criteria as household income,

1 duration of unemployment, and refusal to accept or hold  
 2 a job which pays whichever is the highest of (A)  
 3 the prevailing wage, as determined by the Secretary of  
 4 Labor, for that type of work in the labor market in  
 5 which such job occurs, or (B) fair rates of compensation  
 6 as determined under section 402 of this Act; and

7 (5) such administrative appeal procedures as may  
 8 be appropriate to review the initial determination of the  
 9 abilities of persons willing, able, and seeking to work  
 10 under clause (1) of this subsection and the employment  
 11 need and eligibility under clauses (3) and (4) of this  
 12 subsection.

13 Compliance with the requirements of clause (4) of this  
 14 subsection relating to a person's eligibility for assistance  
 15 may be satisfied by an affidavit submitted by persons seeking  
 16 assistance. If such person knowingly provides false informa-  
 17 tion in any such affidavit, he or she shall be ineligible for  
 18 any assistance under this section and shall, in addition, be  
 19 subject to prosecution under section 1001 of title 18, United  
 20 States Code.

## 21 INCOME MAINTENANCE AND FULL EMPLOYMENT POLICIES

22 SEC. 207. (a) Congress finds and declares that to  
 23 achieve the goals of full employment and balanced growth  
 24 it is essential that the employment policies prescribed by this  
 25 Act and the Employment Act of 1946 give adequate at-  
 26 tention to (1) providing quality jobs that improve the

1 work environment, strengthen income and eliminate sub-  
 2 standard earnings; (2) improving and integrating existing  
 3 public and private income maintenance programs with the  
 4 full employment policies of this Act and the Employment Act  
 5 of 1946; and (3) substituting work for income maintenance  
 6 to the maximum extent feasible, taking account of the  
 7 need for adequate income maintenance among those who  
 8 cannot be brought within the full employment policy.

9 (b) To meet the requirements of this section, the Presi-  
 10 dent shall within ninety days after the date of the enactment  
 11 of this Act transmit to Congress a proposal, together with  
 12 such legislation as is necessary, analyzing the relationship  
 13 of income maintenance needs, existing income maintenance  
 14 programs, and the full employment policies required by this  
 15 Act and the Employment Act of 1946, and make recom-  
 16 mendations on how the income maintenance and employ-  
 17 ment policies can be integrated to insure that employment  
 18 is substituted for income maintenance to the maximum  
 19 extent feasible.

## 20 TITLE III—POLICIES AND PROCEDURES FOR 21 CONGRESSIONAL REVIEW

### 22 STATEMENT OF PURPOSE

23 SEC. 301. The purposes of this title are—

24 (1) to establish procedures for congressional action  
 25 and review with respect to the Economic Report, the  
 26 Full Employment and Balanced Growth Plan, the re-



1 port of the Board of Governors of the Federal Reserve  
2 System, and the other policies and provisions of this  
3 Act and the Employment Act of 1946; and

4 (2) to establish a Division of Full Employment  
5 and Balanced Growth within the Congressional Budget  
6 Office.

#### 7 GENERAL CONGRESSIONAL REVIEW

8 SEC. 302. (a) To provide for comprehensive economic  
9 and employment policies to meet the objectives of this Act  
10 and the Employment Act of 1946, and to provide Congress  
11 with guidance on these matters, the appropriate committees  
12 of the Congress shall review and revise, to the extent deemed  
13 desirable, the economic goals, priorities, policies, and pro-  
14 grams proposed under such Acts by the President and the  
15 Board of Governors of the Federal Reserve System. The Con-  
16 gress shall initiate or develop such legislation as it deems  
17 necessary to implement these proposals and objectives, after  
18 such modification in such proposals as it deems desirable,

19 (b) In addition to its responsibilities under the Em-  
20 ployment Act of 1946 with respect to the Economic Report,  
21 the Joint Economic Committee shall carry out overall review  
22 of executive branch policies under this Act, with special  
23 attention to general economic conditions, the setting of  
24 national economic goals in the Economic Report, the Full  
25 Employment and Balanced Growth Plan, and the relation-

1 ship of economic policy measures to the fulfillment of the  
2 goals and priorities established under this Act and under  
3 the Employment Act of 1946.

4 (c) In addition to their responsibilities under the Con-  
5 gressional Budget Act of 1974, the Committee on the Budget  
6 of the Senate and the Committee on the Budget of the House  
7 of Representatives shall review, in conjunction with report-  
8 ing concurrent resolutions on the budget under the Congres-  
9 sional Budget Act of 1974, the fiscal policy, economy in  
10 government policies, and Federal budget priorities recom-  
11 mended by the President.

12 (d) The other appropriate committees of Congress shall  
13 review and report on those policies or programs implemented  
14 or submitted which relate to matters within the jurisdiction of  
15 each such committee.

#### 16 CONGRESSIONAL REVIEW OF ECONOMIC GOALS IN 17 ECONOMIC REPORT

18 SEC. 303. (a) In conjunction with its review of the Eco-  
19 nomic Report, and the holding of hearings on the report, as  
20 required under the Employment Act of 1946, the Joint Eco-  
21 nomic Committee shall review and analyze the annual nu-  
22 merical goals for employment, production, and purchasing  
23 power recommended by the President in fulfillment of section  
24 3 of the Employment Act of 1946. Subsequent to such a  
25 review, the Joint Economic Committee shall make recom-



1 mendations to the Congress on the appropriate annual nu-  
 2 merical goals for employment, production, and purchasing  
 3 power, subject to the requirements of section 3A(d) of the  
 4 Employment Act of 1946 relating to those periods when  
 5 unemployment is to be reduced to given levels.

6 (b) Section 301(a) of the Congressional Budget Act  
 7 of 1974 is amended—

8 (1) by striking out "and" at the end of clause

9 (5);

10 (2) by redesignating clause (6) as clause (7);

11 and

12 (3) by inserting after clause (5) the following  
 13 new clause:

14 "(6) numerical goals for employment, production,  
 15 and purchasing power; and".

16 (c) The second sentence of section 301(c) of the  
 17 Congressional Budget Act of 1974 is amended to read as  
 18 follows: "The Joint Economic Committee shall also submit  
 19 to the Committees on the Budget of both Houses its recom-  
 20 mendations as to the fiscal and monetary policies appropriate  
 21 to the goals of the Employment Act of 1946. The Joint  
 22 Economic Committee shall further submit to the Com-  
 23 mittees on the Budget of both Houses, in accordance with  
 24 section 3 of the Employment Act of 1946, recommendations  
 25 on annual numerical goals for employment, production, and

1 purchasing power designed to achieve full employment of  
 2 the Nation's human and capital resources as promptly as  
 3 possible. These recommendations shall be incorporated by  
 4 the Committee on the Budget of each House in the first  
 5 concurrent resolution on the budget referred to in subsec-  
 6 tion (a) reported by that committee, with modifications if  
 7 necessary to fulfill the objectives of the Full Employment  
 8 and Balanced Growth Act of 1976, and to meet the require-  
 9 ment of section 3A of the Employment Act to achieve  
 10 full employment within not more than four years after the  
 11 enactment of the Full Employment and Balanced Growth  
 12 Act of 1976. In the event that the Committee on the Budget  
 13 of either House modifies the annual numerical goals for  
 14 employment, production, and purchasing power recom-  
 15 mended by the Joint Economic Committee, that Budget  
 16 Committee shall provide its reasons for such modification in  
 17 the report accompanying the first concurrent resolution.

# 18 CONGRESSIONAL REVIEW OF FULL EMPLOYMENT AND 19 BALANCED GROWTH PLAN

20 SEC. 304. (a) Each proposed Full Employment and  
 21 Balanced Growth Plan transmitted to the Congress by the  
 22 President under section 3A of the Employment Act of 1946  
 23 (hereafter in this section referred to as a "Proposed Plan")  
 24 shall be referred to the Joint Economic Committee. Within  
 25 sixty days after receipt by the Congress of a Proposed Plan,

1 each standing committee of the Senate and the House of  
 2 Representatives and each joint committee of the Congress  
 3 shall submit to the Joint Economic Committee a report con-  
 4 taining its views and recommendations with respect to as-  
 5 pects of the Proposed Plan which relate to matters within  
 6 the jurisdiction of such committee or joint committee.

7 (b) The Joint Economic Committee shall hold hear-  
 8 ings for the purpose of receiving testimony from the Mem-  
 9 bers of Congress, appropriate representatives of Federal  
 10 departments and agencies and such representatives of the  
 11 general public and interested groups as the joint committee  
 12 deems advisable. The joint committee shall also consider  
 13 the comments and views on the Proposed Plan which are  
 14 received from State and local officials.

15 (c) Not later than one hundred and five days after the  
 16 submission of a Proposed Plan to the Congress, the mem-  
 17 bers of the Joint Economic Committee who are Members  
 18 of the House of Representatives shall report to the House,  
 19 and the members of the joint committee who are Members  
 20 of the Senate shall report to the Senate, a concurrent resolu-  
 21 tion which shall state in substance that the Congress ap-  
 22 proves or disapproves the Proposed Plan, in whole or in  
 23 part, and which may contain such alternatives to, modifica-  
 24 tions of, or additions to the Proposed Plan as the joint  
 25 committee deems appropriate and in accord with the pur-

1 poses of this Act and the Employment Act of 1946. The re-  
 2 port accompanying such concurrent resolution shall include  
 3 findings and recommendations of the joint committee with  
 4 respect to each of the main recommendations contained in  
 5 the Proposed Plan.

6 (d) (1) When a concurrent resolution referred to in  
 7 subsection (c) has been reported to the House of Repre-  
 8 sentatives it shall at any time thereafter be in order (even  
 9 though a previous motion to the same effect has been dis-  
 10 agreed to) to move to proceed to the consideration of the  
 11 concurrent resolution. The motion shall be highly privileged  
 12 and not debatable. An amendment to the motion shall not be  
 13 in order, nor shall it be in order to move to reconsider the  
 14 vote by which the motion is agreed to or disagreed to.

15 (2) General debate on any such concurrent resolution  
 16 in the House of Representatives shall be in the Committee  
 17 of the Whole House on the State of the Union, and shall be  
 18 limited to not more than ten hours, which shall be divided  
 19 equally between those favoring and those opposing the con-  
 20 current resolution. A motion further to limit debate shall  
 21 not be debatable.

22 (3) Except to the extent specifically provided in the  
 23 preceding provisions of this subsection, consideration in the  
 24 House of Representatives of any such concurrent resolution  
 25 and amendments thereto (or any conference report thereon)



1 shall be governed by the Rules of the House of Representa-  
 2 tives applicable to other bills and resolutions, amendments,  
 3 and conference reports in similar circumstances.

4 (e) (1) Debate in the Senate on a concurrent resolution  
 5 referred to in subsection (c), and all amendments thereto  
 6 and debatable motions and appeals in connection therewith,  
 7 shall be limited to not more than ten hours. The time shall  
 8 be equally divided between, and controlled by, the majority  
 9 leader and the minority leader or their designees.

10 (2) Debate in the Senate on any amendment to any  
 11 such concurrent resolution shall be limited to two hours, to  
 12 be equally divided between, and controlled by, the mover  
 13 and the manager of the concurrent resolution. Debate on  
 14 any amendment to an amendment, and debate on any de-  
 15 batable motion or appeal shall be limited to one hour, to be  
 16 equally divided between, and controlled by the mover and  
 17 the manager of the concurrent resolution, except that in the  
 18 event the manager of the concurrent resolution is in favor  
 19 of any such amendment, motion, or appeal, the time in oppo-  
 20 sition thereto, shall be controlled by the minority leader or  
 21 his designee. No amendment that is not germane to the pro-  
 22 visions of the concurrent resolution shall be received. Such  
 23 leaders, or either of them, may, from the time under their  
 24 control on the passage of the concurrent resolution, allot

1 additional time to any Senator during the consideration of  
 2 any amendment, debatable motion, or appeal.

3 (3) A motion in the Senate to further limit debate is  
 4 not debatable. A motion to recommit (except a motion to  
 5 recommit with instructions to report back within a specified  
 6 number of days, not to exceed three, not counting any day  
 7 on which the Senate is not in session) is not in order. De-  
 8 bate on any such motion to recommit shall be limited to  
 9 one hour, to be equally divided between, and controlled by,  
 10 the mover and the manager of the concurrent resolution.

11 (4) The conference report on any such concurrent  
 12 resolution shall be in order in the Senate at any time after  
 13 the third day (excluding Saturdays, Sundays, and legal  
 14 holidays) following the day on which such a conference  
 15 report is reported and is available to Members of the Senate.  
 16 A motion to proceed to the consideration of the conference  
 17 report may be made even though a previous motion to the  
 18 same effect has been disagreed to.

19 (5) During the consideration in the Senate of the con-  
 20 ference report on any such concurrent resolution, debate shall  
 21 be limited to two hours, to be equally divided between, and  
 22 controlled by, the majority leader and minority leader or  
 23 their designees. Debate on any debatable motion or appeal  
 24 related to the conference report shall be limited to thirty

1 minutes, to be equally divided between, and controlled by,  
2 the mover and the manager of the conference report.

3 (6) Should the conference report be defeated in the  
4 Senate, debate on any request for a new conference and the  
5 appointment of conferees shall be limited to one hour to be  
6 equally divided between, and controlled by, the manager of  
7 the conference report and the minority leader or his designee,  
8 and should any motion be made to instruct the conferees be-  
9 fore the conferees are named, debate on such motion shall be  
10 limited to thirty minutes, to be equally divided between, and  
11 controlled by, the mover and the manager of the conference  
12 report. Debate on any amendment to any such instructions  
13 shall be limited to twenty minutes, to be equally divided  
14 between, and controlled by, the mover and the manager of  
15 the conference report. In all cases when the manager of the  
16 conference report is in favor of any motion, appeal, or amend-  
17 ment, the time in opposition shall be under the control of the  
18 minority leader or his designee.

19 (7) In any case in which there are amendments in dis-  
20 agreement, time on each amendment in the Senate shall be  
21 limited to thirty minutes, to be equally divided between, and  
22 controlled by, the manager of the conference report and the  
23 minority leader or his designee. No amendment that is not  
24 germane to the provisions of such amendments shall be  
25 received.

1 (f) Upon adoption of a concurrent resolution under  
2 this section with respect to any Proposed Plan, the concur-  
3 rent resolution shall serve as a long-term guide to the Con-  
4 gress with respect to legislation relevant to the goals, priori-  
5 ties, policies, and programs recommended in the Proposed  
6 Plan, as modified by the concurrent resolution. A copy of  
7 the concurrent resolution shall be transmitted to the Presi-  
8 dent by the Clerk of the House of Representatives or the  
9 Secretary of the Senate, as appropriate, for such actions as  
10 the President deems appropriate.

11 DIVISION OF FULL EMPLOYMENT AND BALANCED GROWTH  
12 SEC. 305. (a) There is established within the Con-  
13 gressional Budget Office a Division of Full Employment and  
14 Balanced Growth (hereafter in this section referred to  
15 as the "Division") to perform long-term economic analysis.  
16 The Division shall be headed by a Deputy Director who  
17 shall perform his or her duties under the supervision of the  
18 Director of the Congressional Budget Office and shall perform  
19 such other duties as may be assigned to him or her by the  
20 Director. Such Deputy Director shall be appointed in the  
21 same manner, serve for the same period, and receive the  
22 same compensation as the Deputy Director provided for in  
23 section 201 of the Congressional Budget Act of 1974.

24 (b) It shall be the first responsibility of the Division to  
25 assist the Joint Economic Committee in the discharge of its



1 duties under this Act by providing, as the joint committee  
2 may request—

3 (1) information with respect to long-term economic  
4 trends, national goals, resource availability, and the  
5 methods available to achieve full employment and bal-  
6 anced economic growth;

7 (2) information necessary for the preparation of  
8 the report and concurrent resolution referred to in section  
9 304 (c); and

10 (3) such related information as the committee may  
11 request.

12 (c) At the request of any committee of the House of  
13 Representatives or the Senate, or any other joint committee  
14 of the Congress, the Division shall provide to such com-  
15 mittee or joint committee the information necessary to fulfill  
16 its responsibilities under this Act.

17 (d) At the request of any Member of the House or Sen-  
18 ate, the Division shall provide to each Member any informa-  
19 tion necessary to fulfill his or her responsibilities under this  
20 Act.

#### 21 EXERCISE OF RULEMAKING POWERS

22 SEC. 306. (a) The provisions of this title (other than  
23 section 305) are enacted by the Congress—

24 (1) as an exercise of the rulemaking power of the  
25 House of Representatives and the Senate, respectively,

1 and as such they shall be considered as part of the  
2 rules of each House, respectively, or of that House to  
3 which they specifically apply, and such rules shall  
4 supercede other rules only to the extent that they are  
5 inconsistent therewith; and

6 (2) with full recognition of the constitutional right  
7 of either House to change such rules (so far as relating  
8 to such House), at any time, in the same manner and to  
9 the same extent as in the case of any other rule of such  
10 House.

#### 11 TITLE IV—GENERAL PROVISIONS

##### 12 NONDISCRIMINATION

13 SEC. 401. (a) No person in the United States shall  
14 on the ground of sex, age, race, color, religion, or national  
15 origin be excluded from participation in, be denied the bene-  
16 fits of, or be subjected to discrimination under any program  
17 or activity funded in whole or in part with funds made avail-  
18 able under this Act, including membership in any structure  
19 created by this Act.

20 (b) Whenever the Secretary of Labor determines that  
21 a recipient of funds under this Act has failed to comply  
22 with subsection (a), or an applicable regulation, he or she  
23 shall notify the recipient of the noncompliance and shall  
24 request such recipient to secure compliance. If within a  
25 reasonable period of time, not to exceed sixty days, the

1 recipient fails or refuses to secure compliance, the Secre-  
 2 tary of Labor is authorized (1) to refer the matter to the  
 3 Attorney General with a recommendation that an appropri-  
 4 ate civil action be instituted, (2) to exercise the powers  
 5 and functions provided by title VI of the Civil Rights Act  
 6 of 1964 (42 U.S.C. 2000d), or (3) to take such other  
 7 action as may be provided by law.

8 (c) When a matter is referred to the Attorney General  
 9 pursuant to subsection (b), or whenever he or she has reason  
 10 to believe that a recipient is engaged in a pattern or prac-  
 11 tice in violation of the provisions of this section, the Attor-  
 12 ney General may bring a civil action in the appropriate  
 13 United States district court for any and all appropriate  
 14 relief.

15 (d) To assist and evaluate the enforcement of this sec-  
 16 tion, and the broader equal employment opportunity policies  
 17 of this Act, the Secretary of Labor shall include, in the annual  
 18 Manpower Report of the President, a detailed analysis of  
 19 the extent to which the enforcement of this section achieves  
 20 affirmative action in both the quantity and quality of jobs,  
 21 and for employment opportunities generally.

22 LABOR STANDARDS  
 23 SEC. 402. The policies and programs implemented and  
 24 provided for by this Act, and funded in whole or in part  
 25 through this Act, shall provide that persons employed pursu-

1 ant to such policies and programs are paid equal wages for  
 2 equal work, and that such policies and programs create a  
 3 net increase in employment through work that would not  
 4 otherwise be done. In providing employment under this Act,  
 5 or in submitting legislation under this Act, the President shall  
 6 insure that persons employed in jobs utilizing funds, pro-  
 7 vided in whole or in part through this Act, be paid wages  
 8 not lower than whichever is the highest of--

9 (A) the minimum wage which would be applicable  
 10 to the employee under the Fair Labor Standards Act of  
 11 1938, if section 6 (a) (1) of such Act applied to such  
 12 employee and if he or she were not exempt under section  
 13 13 thereof;

14 (B) the State or local minimum wage for the most  
 15 nearly comparable covered employment;

16 (C) (i) in the case of employers which are States,  
 17 political subdivisions, local educational agencies, public  
 18 institutions of higher education, or other public agencies  
 19 or institutions, the prevailing rates of pay for persons  
 20 employed in similar public occupations by the same  
 21 employer, or,

22 (ii) in the case of employers which are nonprofit  
 23 private organizations or institutions, the appropriate  
 24 prevailing wage determined in accordance with the Serv-  
 25 ice Contract Act of 1965 or the prevailing rates of pay



11 for persons employed in similar occupations by the same  
 12 employer, whichever is the higher, or

13 (D) in the case of persons performing work of the  
 14 type to which the Davis-Bacon Act, as amended (40  
 15 U.S.C. 276a-276a-5), applies, the prevailing wage  
 16 determined in accordance with that Act.

#### 17 AUTHORIZATIONS

18 SEC. 403. There is authorized to be appropriated such  
 19 sums as may be needed to carry out the provisions of this  
 20 Act. Notwithstanding any other provisions of this Act, no  
 21 provision shall be construed to require expenditures in excess  
 22 of amounts appropriated pursuant to this Act.

23 ○

THE WHITE HOUSE  
WASHINGTON

March 16, 1976

*Art -  
Good -  
let's  
discuss  
Jim*

MEMORANDUM FOR: JIM CANNON  
FROM: ART QUERN  
SUBJECT: Jobs Bills

With renewed activity on the issues of public service jobs and expanded Federal programs to deal with unemployment I suggest that a project manager and a small task force be established to handle all aspects of dealing with the proposals being revived in Congress.

I recommend that you, Jim Lynn, and Bill Seidman discuss this, decide who should be project manager and who should be on the task force.

I believe that we need to set this mechanism in place so that we can be sure that this activity is followed most closely and that our role is something more than just reactive.

cc: Paul O'Neill  
Roger Porter

*Art*

