It seems to me that when we talk about unemployment, we ought to talk about the adult labor force, not boys and girls 14 to 19 years of age. Furthermore, 57 percent of the unemployed potential workers in June 1962 had been out of work for less than 5 weeks. Again, when we talk unemployment, let us talk about serious unemployment, and not about workers who are changing jobs or who have just begun to look for their first job.

Unemployment rates are relatively low among skilled workers, that is, professionals, technical, and kindred workers, managers in farm and nonfarm activities, et cetera.

Unemployment rates rise as the skill level declines. In fact, unemployment rates are relatively high principally among the very young, the unskilled, and the nonwhite potential workers.

As a result of high economic activity, high employment, and high wage and salary rates, the rate of receipt of personal income in the country in June 1962 was also at a record high level—$440 billion per year, up 1.2 percent from the March rate; that is, up 1.2 percent in the second quarter and up 5.8 percent from June 1961.

The principal gains in personal income over the past year have occurred in employee income, up 6.2 percent. There have also been significant gains in income of nonfarm proprietors, in the rental income of persons, and in interest and dividends.

The rise in income has been widely distributed, and the rising level of income is being spent freely for goods and services. The rate of personal savings from income after taxes in the latest quarter showed very little change from the level of a year ago.

Consumers have money, and they are spending it. They may not spend it for just what each individual would desire. Some people are not selling at the rate they would like to sell. But the total volume of personal spending, personal consumption expeditures, is very much in line with the current rate of personal income.

The level of corporate profits recovered rapidly with the rise in busines activity after the recent low point in the first quarter of 1961 until the fourth quarter of last year. There was apparently little change in the level of corporate profits over the past two quarters. The first quarter has been estimated, but the second quarter is not yet available. We are estimating that it may show a slight decline from the first quarter and from the fourth quarter of last year. But earnings in the first half of 1962 virtually assure that the amount of corporate profits this year will make a new high record.

While the amount of profit earned by manufacturing corporations—and here I am concentrating just on the segment of manufacturing industry because that is where we happen to be—the amount of profit earned by manufacturing corporations this year will be significantly higher than it was last year. (It will be a new high annual record, I believe. The rate of profit on stockholders' equity among manufacturing corporations this year will be the lowest since 1945, with the exception of the years 1958, a recession year, 1960, and 1961.)

Senator BUSH. How do you define that rate of profit? Is that return on investment? Or what does it mean?