labor force apparently, women, so that their family could get another car or downpayment on homes, and so on. Maybe that is it. I do not know.

Certainly this gap theory, if you apply this million group, you must put it into the unemployed area, and so the gap has widened. I do not adhere to the gap theory, but to those of you who do, I would think this would be very worrisome because then your gap is increasing.

Mr. ECKSTEIN. I have tried to make a little bit of inquiry on this problem. I gather that the lack of growth of labor force is not concentrated in any one group. I think originally the thought was it might be earlier retirements because of the improved social security benefits.

Represenative CURTIS. The figures showed it to be in all age groups and not by men or women, either.

Mr. ECKSTEIN. There are a lot of different phenomena and so far nobody is in a position to put them together. Certainly one thing that does happen in a depressed area, you do slowly over the years evolve a new way of life in which people drift out of the labor force and draw relief and make a living without working. It takes several years of not much prospect for employment where you are located before you get this kind of effect of people just sort of drifting out of the labor force and finding some other way of getting along.

Representative CURTIS. Even in the depression years of the thirties, the civilian labor force increased each year. I did want to point that up. The final thing, and I just want to get this more or less on the record; to me the places that we have to get into in reforming our tax structure are not just rates. Yes, I am very much interested in rate reform. I want to point up some of the specific things in our tax laws I think are impeding economic growth. They seem small, but I do not think they are in economic effect, only in revenue. One is a tax law which works against labor mobility. The law as it presently is says that a man's residence is where his job is. This may have been true in the 1920's and even 1930's. As a matter of fact, our laboring group now, 80 percent of them own their own homes. So their residence is where their home is. This archiac law has an effect on the tax of those individuals if they have to follow a job. If they are technicians, like from McDonnell Aircraft, men going down with their missiles, from St. Louis to New Mexico, and they are in New Mexico over a period of some months, what is a per diem allowance becomes taxable income according to the Federal tax laws. Likewise, when you shift a plant, like Chrysler did from Evansville to St. Louis, the workers cannot immediately sell their homes. They follow their jobs and they are commuting back and forth. They cannot deduct the cost of maintaining two residences from their taxable income. This is a reform badly needed. In my estimation, one of the greatest problems in our dynamic economy is matching skills with jobs and encouraging labor mobility, to bring this about. This tax law encourages labor immobility.

The second point, our tax laws work against training and retraining. Another great problem in a dynamic economy going places, as ours is, is in upgrading skills, training, and retraining. The tax law says if you study to hold your job you can deduct the cost from