

42. P.L. 88-650, October 13, 1964. Amended FUTA definition of "wages" to exclude reimbursement of moving expenses if deductible for Federal income tax.

43. P.L. 89-283, October 21, 1965. Automotive Products Trade Act of 1965.

Regulations

1. Regulations to implement the Unemployment Compensation for Federal Civilian Employees Program under Title XV of the Social Security Act: Title 20, Chapter V, parts 609-611, CFR.

2. Regulations to implement the Temporary Unemployment Compensation Act of 1958; Responsibilities of Puerto Rico, Virgin Islands and State Agencies; Title 20, Chapter V, part 613.

3. Regulations to implement the ex-Servicemen's Unemployment Compensation Program under Title XV of the Social Security Act, as amended; Title 20, Chapter V, part 614.

PART II. DATA BEARING ON ECONOMIC ASPECTS AND IMPACTS OF THE PROGRAM

9. Economic effects

The Federal-State unemployment insurance program was designed by the Congress to have a direct and important effect upon the American economy and it has largely succeeded in its purpose. Its basic purpose is simple: to maintain some income to unemployed workers during the period of time they are seeking new employment. The conditions under which an unemployed worker may collect these benefits are precisely described in the unemployment insurance laws, and in the regulations and operating procedures of the State employment security agencies. Those who qualify for benefits, however, may be assured that some of their "lost" wages will be offset by their unemployment insurance benefits.

Through the payment of unemployment insurance benefits, the purchasing power of the unemployed is maintained to some extent with resulting economic benefits to the community in which he lives and to the nation's economy.

It is impossible to measure, with any degree of accuracy, the precise effects on the economy as a whole of the operations of the unemployment insurance laws. They are, however, clearly of great effect as an "economic stabilizer." Consequently, the system is properly considered as being one of the fastest and most effective devices developed for preventing recessions from becoming depressions and for alleviating the human suffering that occurs when the wage income of an individual ceases.

The very size of the program indicates the extent of its effectiveness.

In fiscal year 1965, which was a year of widespread economic expansion and of declining unemployment, unemployment insurance benefits paid under State unemployment insurance laws totaled more than \$2.3 billion. These payments were made to over 5 million unemployed individuals.

On the average, each unemployment insurance claimant during fiscal year 1965 drew benefits for slightly over 12 weeks and, if he was