

industry. We will continue our work in this area with existing resources, but to make significant further progress in 1968 will require the funds requested in the President's 1968 budget.

Mr. Chairman, you have been particularly close to the work that we did in the early years with regard to labor statistics. There has been, of course, continuing attention to this area of statistics. There have at times been doubts as to the accuracy of the statistics on unemployment. We have been continually reviewing this area and today we probably have the finest body of information in the world on employment and unemployment, yet there are many problems, many areas, in which we still do not know the sorts of things we would like to know about the U.S. labor force.

Here again a committee commonly called the Gordon Committee appointed by the President at the recommendation of the Department of Labor and the Bureau of the Budget, developed an excellent body of guidelines and recommendations. Many of these recommendations have been implemented, but the report was of a character which gives us guidance for many years to come. The highlights of what has been done to date can be summarized something as follows: As a result of that report an experimental panel of about 17,000 households was set up as a basis for studying some of the conceptual problems associated with the measurement of employment and unemployment. As a result of that study, we recently incorporated new definitions, not significantly different from the older ones conceptually, but of such a character as to more specifically delineate the characteristics of people who are in and outside the labor force and make it possible for us to give more consistent estimates of various sectors of the labor force and their employment-unemployment characteristics.

We have also expanded the labor force survey from 35,000 households to 52,000 households. This expansion of sample size will make it possible to take the emphasis off the single figure, total number of unemployed or total number of employed persons, and give better data with greater accuracy with respect to the age, sex, color and composition of both the employed and the unemployed.

We have had little success in achieving a national program on job vacancies. This committee has had reports in that area and I will not dwell on it. However, experimental programs are still going on within the Federal Government and we would hope that sometime in the future that job vacancy series designed to meet both operating program needs and basic analytical needs could be added to our general body of statistical information.

In the areas of construction, production, and distribution, we have also been taking major actions to improve the interrelationship and validity of measurements. Here again, there are illustrations of the different methods which the office uses to improve statistical series. Construction statistics is one of the areas to which I devoted early attention when I first came to take charge of the Office. It had been clearly recognized for some time that one of the difficulties that the responsibility for this type of statistics was distributed among three agencies, the Bureau of Labor Statistics, the Business and Defense Service Administration of the Department of Commerce, and the Census Bureau. One of our early actions, therefore, was to consolidate this program in the Census Bureau.