

agricultural employment. As Commissioner Ross has pointed out, in the early years of the Bureau of Labor Statistics, emphasis was on such matters as industrial injuries, labor turnover, labor management disputes, and mass unemployment. Many of today's critical issues in economic policy involve manpower and human resource development, equal employment opportunity, elimination of poverty, regional economic development, and the problem of hard core unemployment.

Let me elaborate on one example. Changes in the labor force in recent years have had a significant bearing on the significance of our employment statistics. The rapid growth of welfare programs, including unemployment insurance, help maintain a flow of income during periods of unemployment. Today even a man of modest means can practice some discrimination in job selection as a result of these programs. He can better afford to shop around for a job suited to his needs and interests. Our statistical measures, however, do not take into account this voluntary aspect of unemployment nor the fact that it is probably increasing in our society today.

Our labor force data are also affected by the rapid increase of working women and teenagers. Many of these workers are parttime or intermittent workers, a fact which creates unavoidable intervals of unemployment. The existence of more working women and teenagers also reduces labor force mobility. Neither group is as able or willing as male employees to terminate their employment and to take a job in another city or often in another area of the same city.

Other important changes have been taking place in our economy. Today we are beginning to look at a person's full life—his tender years, his years of education, his productive years, and his years of retirement. We have been developing the mechanisms and the programs for spreading a person's lifetime income from his productive and earning years to the non-productive years.

The first mechanisms developed were in the nature of savings from the productive years to provide for retirement pensions, annuities and retirement systems. At the same time we are developing the mechanisms whereby people can pool their common risks against an untimely diminution of earning capacity from (a) death, (b) disability through accident or sickness, (c) interrupted earnings resulting from, e.g., military service and economic downturn, (d) and now, obsolescence of skills.

Since World War II, we have been developing the mechanisms to spread income forward in anticipation of earnings from the more productive years to the less productive years. We have developed new forms of consumer credit to encourage home ownership, purchase of consumer durables, and most recently, to provide the capital investment for education. A great deal of today's consumer credit constitutes real savings inasmuch as the expenditures relate to increased wealth and increased earning capacity, not to mention increased standard of living of the debtor. It is indicative of this understanding of lifetime income that income averaging techniques, crude as they are, were introduced into the federal personal income tax laws in 1964.

The emphasis needed for further development lies in phasing individuals into the labor market and phasing them out again on retirement. One does not abruptly—or should not abruptly—enter the labor market or retire from it. The better retirement systems we are developing permit a phasing out, utilizing in different ways the talent perfected by experience of the older citizens. The better educational systems use a variety of phasing-out mechanisms.

Above all, we are beginning to understand that people are not committed full time in the labor market. The eight hour day and the forty hour week attest to this. Hopefully we will begin to move more broadly into the eleventh month year and possibly to the concept of the fallow seventh year—the sabbatical leave. However, the women in our society are increasingly entering the labor market before marriage only to retire for the period of raising children, and then to reenter later on a planned, part-time basis, which frequently later develops into full-time employment.

All of this brings me back to my opening point—the need for new and improved statistics to meet changing conditions in the economy.

These numerous suggestions for new statistical information will probably discourage even our most enthusiastic and dedicated statisticians. As usual, they are being called upon to perform Herculean tasks and then given inadequate budgets and staff to do the job.

The budget treatment of our statistical agencies is one of the best examples I know of being penny wise and pound foolish. In the fiscal 1968 budget, less