

years as a result of the fact that the postwar baby boom is now 18 years and past, we have had a very large number of new entrants.

The following table was later supplied for the record:

Adult and teenage unemployment rates and teenage civilian labor force, 1951-66

Period	Adult unemployment rate (20 years and over; percent)	Teenagers (14 to 19 years)		Percentage change per year in teenage civilian labor force
		Unemployment rate (percent)	Civilian labor force ¹ (thousands)	
Annual average:				
1951-53	2.7	7.6	4,896	-1.5
1955-57	3.8	10.5	5,161	3.8
1961-63	5.2	14.7	6,172	1.6
1964-66	3.6	13.4	7,150	9.5
1964	4.3	14.7	6,531	4.0
1965	3.6	13.6	7,091	8.6
1966	2.9	12.0	7,828	10.3

¹ The civilian teenage labor force increased rapidly despite the fall in teenage labor force participation rates in the 1960's. Major factor was large demographic increase in teenage population.

Sources: Department of Labor and Council of Economic Advisers.

It is quite clear that a very large part of the unemployment in the total labor force and particularly among teenagers arises from the fact that you get a substantial amount of unemployment if it only takes a month for a new worker to find a job when he leaves school. And this is a group which enters the labor force when it leaves school, also enters the labor force in the summer and leaves it again. It is also a group which does a good deal of moving around, tries out one job, finds it unsatisfactory, moves to another job, and a good deal of unemployment is associated with that kind of movement.

So we think most of the difference between unemployment rates in the last couple of years and the unemployment rates in earlier years of generally high employment is attributable to the large number of teenagers entering the labor force rather than to the effect of the minimum wage.

As I say, there is very little evidence to show reductions in the kind of employment that teenagers get as a result of the minimum wage, although I would not deny that that could be a factor to some extent, but I think the other factors are much more important in accounting for this differential.

Representative WIDNALL. Thank you very much. My time is up.

Chairman PROXMIRE. Thank you.

Mr. Reuss?

Representative REUSS. Mr. Chairman, gentlemen, the President in his Economic Report ¹ quotes from President Eisenhower's ill-fated 1956 Economic Report and points out that very shortly thereafter this country was visited with a severe recession and a very sharp inflation.

I am concerned that we profit by the mistakes of the past, and I am somewhat worried that we may have both a recession and some inflation ahead of us.

Specifically right now, as we know, automobile production is lagging, consumer durable production is lagging, housing starts are way off. Faced with that, the President has nevertheless firmly requested a 6-percent across-the-board tax increase to take effect next July 1.

¹ Economic Report of the President, January 1967, pp. 24-25.