

Secretary WIRTZ. I don't believe very much, Mr. Reuss. Because I think that it is particularly true of this group that was involved is perhaps less a shortage of opportunity than a completion of the requirements for taking advantage of it and that this is peculiarly a remaining area of unemployment which will not be remedied by an expanding economy and will require affirmative individualized concentrated attention. I think there will be only a small incremental effect.

Representative REUSS. I think every member of this committee would agree, it needs tailormade, ad hoc attention. It needed that all the way down from the 7-percent unemployment figure that we had a few years ago. But a moment ago you said that most of the current unemployed could be helped only by tailormade manpower training methods, not by general increase in demand. Is it not true that a substantial portion of the unemployed could be helped some by general increases in demand, and will not therefore the proposed tax increase, which means there will be less demand from the consumer to buy goods, and less ability of investors to invest—will not the effect of that tax increase be, on the margin, to deny a job to some Negroes, and particularly young Negroes, who would get a job were it not for that tax increase?

Secretary WIRTZ. I don't mean for a moment to avoid the obvious fact that there is a relationship between the tax increase and the rate of expansion of the economy, and that that has some relationship to jobs. But I can't help coming back to the fact that a third of our unemployment is among the youth and a lot of these are nonwhite.

But the point is, as far as I am concerned, they shouldn't be working, anyway. They ought to be in school or in training. So in terms of the problem you pose it does not seem to me that the answer lies in putting them into the jobs that an expanding economy would give them—most of them being dead end jobs that the machines are just waiting to take over. The answer to that problem lies in an extension of education and training programs rather than in increasing the number of jobs.

Representative REUSS. You do not think it lies in both?

Secretary WIRTZ. It does lie in both, of course, especially in the sense that if there should be a slipback in the economy, then that situation would worsen terribly. If the economy should fall back so that there would be an increase in unemployment, this would happen for the very reason that you are talking about. This situation would be exceedingly serious.

My point is that as far as an affirmative improvement is concerned, we have a lot bigger job in moving in on the personal aspects of it than is involved in the economic application.

Representative REUSS. I agree with that.

Let me now turn to the wage-price guideposts and call to your attention the very instructive and perceptive testimony you gave before the House Government Operations Committee last fall.

Secretary WIRTZ. I remember the occasion even with that description.

Representative REUSS. The Government Operations Committee following its hearings brought out a series of recommendations which