

I don't ask the General Motors Corp. to be obligated to do anything in terms of their public accounting that I am not willing to do as the President of the UAW, because I think we both must be publicly responsible and our decisions must first reflect the needs of the American people.

This idea of a tax penalty, I think, is worth exploring, because when an industry operating in terms of market forces puts the whole economy in jeopardy, the American people have a right to protect themselves against that kind of irresponsible action by any legal procedure that they choose, and the tax penalty certainly ought to be explored.

Chairman PROXMIRE. My time is up.

I might say for the members that just came in, we are following a 5-minute rule this morning. We are going to have another witness coming up.

Mr. Widnall?

Representative WIDNALL. Thank you, Mr. Chairman.

Thank you, Mr. Reuther, for coming before us again today and giving us some very substantial testimony on a subject that is of great interest to all of us.

In your statement you say:

Nevertheless, as a Nation we cannot escape the fact that the United States still has the highest rate of unemployment of any democratic industrialized nation in the world.

We had some testimony last week that indicated that other nations compile their unemployment figures on a different basis than we do. Has this been taken into account by you?

Mr. REUTHER. Yes. I serve, Mr. Charman, as a member of the President's Labor-Management Advisory Committee. This was set up originally under President Kennedy, and Mr. Goldberg was the Secretary of Labor, and when we were wrestling with these comparative figures of the rate of unemployment in the United States and the European countries and Japan, the question came up: Are they using the same measuring sticks; are we talking about the same thing? And a study was made, and the result was that when unemployment was measured by our definition in some of these other countries, the discrepancy was even greater.

Here is a chart based upon the most reliable Government figures that we can get, the BLS, and the comparable agency in the Dominion of Canada, which indicates unemployment here in the United States in 1965, and you can see its relationship to Canada, Italy, France, Great Britain, Sweden, Japan, and West Germany. So that there is no question about it that by any definition of what constitutes unemployment, the United States has had a level of unemployment much higher than any other democratic industrial nation in the free world.

(Chart referred to follows:)