for the products which can be produced more efficiently.[34] Lower prices would be a more effective route to economic growth and expanding employment opportunities than increases in labor income. Therefore, the use of productivity as *the* guidepost for proper increases in wage and non-wage benefits should be rejected both on grounds of feasibility and economic desirability.

TABLE 1.—*Year-to-year changes in average hourly earnings, manufacturing industries and in the Consumer Price Index, 1919–66*

[1957-59—100]

Year	Average hourly earnings in manufacturing	Year-to-year percent change	Consumer price index	Year-to-year percent change	Relationship of average hourly earnings to CPI[1]
1919	$0.472		60.3		
1920	.549	+16.3	69.8	+15.8	5
1921	.509	−7.3	62.3	−10.7	4
1922	.482	−5.3	58.4	−6.3	4
1923	.516	+7.1	59.4	+1.7	5
1924	.541	+4.8	59.6	+.3	5
1925	.541	0	61.1	+2.5	6
1926	.542	+.2	61.6	+.8	6
1927	.544	+.4	60.5	−1.8	3
1928	.556	+2.2	59.7	−1.3	3
1929	.560	+.7	59.7	0	2
1930	.546	−2.5	58.2	−2.5	7
1931	.509	−6.8	53.0	−8.9	4
1932	.441	−13.4	47.6	−10.2	6
1933	.437	−.9	45.1	−5.3	4
1934	.526	+20.4	46.6	+3.3	5
1935	.544	+3.4	47.8	+2.6	5
1936	.550	+1.1	48.3	+1.0	5
1937	.617	+12.2	50.0	+3.5	5
1938	.620	+.5	49.1	−1.8	3
1939	.627	+1.1	48.4	−1.4	3
1940	.655	+4.5	48.8	+.8	5
1941	.726	+10.8	51.3	+5.1	5
1942	.851	+17.2	56.8	+10.7	5
1943	.957	+12.5	60.3	+6.2	5
1944	1.011	+5.6	61.3	+1.7	5
1945	1.016	+.5	62.7	+2.3	6
1946	1.075	+5.8	68.0	+8.5	6
1947	1.217	+13.2	77.8	+14.4	6
1948	1.328	+9.1	83.8	+7.7	5
1949	1.378	+3.8	83.0	−1.0	3
1950	1.440	+4.5	83.8	+1.0	5
1951	1.56	+8.3	90.5	+8.0	5
1952	1.65	+5.8	92.5	+2.2	5
1953	1.74	+5.5	93.2	+.8	5
1954	1.78	+2.3	93.6	+.4	5
1955	1.86	+4.5	93.3	−.3	3
1956	1.95	+4.8	94.7	+1.5	5
1957	2.05	+5.1	98.0	+3.5	5
1958	2.11	+2.9	100.7	+2.8	5
1959	2.19	+3.8	101.5	+.8	5
1960	2.26	+3.2	103.1	+1.6	5
1961	2.32	+2.7	104.2	+1.1	5
1962	2.39	+3.0	105.4	+1.2	5
1963	2.46	+2.9	106.7	+1.2	5
1964	2.53	+2.8	108.1	+1.3	5
1965	2.61	+3.2	109.9	+1.7	5
1966	2.71	+3.8	113.1	+2.9	5

[1] Notes:
2 Average hourly earnings up, CPI unchanged.
3 Average hourly earnings up, CPI down.
4 Average hourly earnings down, CPI down more.
5 Average hourly earnings up more than CPI.
6 Real hourly earnings down.
7 No change in real hourly earnings.

[34] It is recognized, of course, that the extent to which effective demand will increase in response to lower prices will vary for different products.