required to bear the burden of giving up additional positions so that this request can be answered affirmatively?" This of course calls for a judgment as to the relative priorities to be attached to various agency programs within the guidelines provided by Congress. And, it should be remembered, the positions to be reassigned are vacancies remaining after the 25% lapse of vacancies required by the law. There are many cases of merit that would warrant some relief if it could be done without penalizing someone else. But, when the question becomes one of *relative* merit, it is much more difficult to grant relief to one agency at the expense of another.

Chairman PROXMIRE. Let me ask you this. I think we are a little imprecise in your estimate of what is going to happen on unemployment throughout the fiscal year. I understood you to indicate that perhaps by the end of the fiscal year it could go as high as 4 percent. The end of the fiscal year, next July, in view of the fact you have a swing from a deficit in 1968 on the consolidated budget, according to this, of $19.5 million to a surplus, which——

Mr. ZWICK. That is right, there is a swing from a deficit to a surplus.

Chairman PROXMIRE. Which you indicated you expect between January and June of next year.

Mr. ZWICK. That is correct.

Chairman PROXMIRE. This turnaround is going to obviously slow down the economy considerably.

Mr. ZWICK. This is a major turnover.

Chairman PROXMIRE. Do you expect unemployment might go as high as 4½ percent?

Mr. ZWICK. After the first of the year essentially the question will be what has happened to monetary policy, what has happened to homebuilding——

Chairman PROXMIRE. Well, sure.

Mr. ZWICK (continuing). And what has happened to the savings rate. I think if you don't get some pickup in these other sectors, unemployment rates will continue to go up.

Senator JAVITS. If you will yield.

Chairman PROXMIRE. Yes.

Senator JAVITS. In other words, the private sector by activity can take, can very easily take up the slack which will result from the diminution of public expenditure.

Mr. ZWICK. That is the hypothesis on which we are operating, Senator. But we have to depend on that happening. If it doesn't happen, Senator Proxmire's forecast that unemployment rates will continue to rise is correct.

Chairman PROXMIRE. Last year Mr. Schultze told us that the President set up a task force to develop economic plans for the post-Vietnam period. What can you tell us about the work of that task force?

Mr. ZWICK. As you know, this is chaired by Chairman Okun of the Council of Economic Advisers. We have been meeting. We are at a point——

Chairman PROXMIRE. You have played a part in it?

Mr. ZWICK. Yes, I am on the Committee. We have been working, and we are in fact drafting materials now. I am just not in a position to tell you when they are going to be available, whether we will have something publicly available before the Economic Report, or whether we will incorporate it in the Economic Report.

Chairman PROXMIRE. It will be one or the other.