

considered in connection with the fairness and the increase of employment, and particularly the employment of people to whom this would make a very real difference.

Representative CURTIS. It is the mobility of labor. A great deal of this is not the businessman. A great deal of it is the individuals themselves, Mr. Secretary. And, let this argument deter you, what good does it do to give an income tax deduction to a person who might be unemployed. I think our difficult problem in this training and retraining is the escalation that a person with a good job, if he will train for a higher skill, leaves his job open for someone. So, it is very meaningful, I would argue, to remove these impediments in our tax laws.

Secretary WIRTZ. We would be glad to file such a statement.

(Representative Curtis' bill for tax deductions for the above purposes, H.R. 5045, has been forwarded to the Department of Labor by the House Ways and Means Committee for expression of the Department's views. The report will be forwarded when completed.)

Chairman PROXMIRE. Congressman Widnall.

Representative WIDNALL. Thank you, Mr. Chairman.

Several prominent economists, particularly Professor Brozen of Chicago, and Professor Campbell of Dartmouth, have made studies that indicate the minimum wage has reduced employment opportunities for young, inexperienced workers.

What do your studies show?

Secretary WIRTZ. They do not show that. It is required under section 4(d) we make annually, and file with the Congress the first of each year, a report on the effects of the minimum wage law. And in the most practical terms I can identify, every study that we have made so far does not support the conclusion that the minimum wage has a depressing effect on employment.

But I want to make this clear, Mr. Widnall.

This is a limited, careful, guarded statement that I have made.

There is no evidence in any of these studies to show affirmatively that kind of thing.

But I want to make this clear.

If the minimum wage for youngsters or for any other group in this country were, let us say, 50 cents an hour—as it is, for instance, in Japan—there cannot be any question but that there would be larger employment of that group which was given that exemption.

Now, the problem would be that it would have a depressing effect on our local standard of living all the way up and down, as it does in Japan.

And so I am trying to say in answer to your question that I do not think that there has been a reduction in youth employment because of the minimum wage law. And that is the point they make.

I do not recognize that if we had an entirely different approach to this problem, as indeed is true in a number of other countries, where there is a youth differential, it would affect that matter.

Representative WIDNALL. Have you considered recommending legislation to amend the minimum wage law, to permit a lower minimum wage for trainees, perhaps with a Government subsidy to make up the difference between the actual wage paid and the minimum wage?

Secretary WIRTZ. We have considered it, and have reached affirmatively the conclusion not to make the recommendation in that form.