tween 1963 and 1966, reported unemployment dropped from 5.7 percent of the labor force to 3.8 percent. But in 1967, the level of reported unemployment remained at 3.8 percent.

The economic advance had not gone deeply enough by 1967 to provide job opportunities, at decent wages, for all persons who are able to work and desire employment.

With officially reported unemployment of 3 million or 3.8 percent of the labor force, the actual level of joblessness in 1967 may have been as much as 3.5 million to 4 million or more, after accounting for those jobless workers, particularly among slum dwellers, whom the Labor Department fails to count as unemployed in its monthly surveys.

The unemployed in 1967 included workers who were temporarily between jobs, workers in seasonal industries who were on temporary layoff and new entrants into the labor force—probably about 1.5–2 million. In addition, some of the unemployed were out of work, during 1967, as a result of economic conditions in their industries, such as inadequate sales.

The large numbers of remaining unemployed—and the underemployed part-time workers, as well—were essentially disadvantaged and unskilled workers, with little if any education or regular work experience. The general economic advance had not yet reached the most disadvantaged workers among the unskilled, teenagers, and Negroes, particularly those in urban slum areas and depressed rural communities.

Yet there are those who claim that the economic advance has gone too far and clamor for unemployment—breeding restrictive policies.

In 1966, the Federal Reserve pursued a very restrictive monetary policy, which pushed interest rates to their highest levels in 40 years, threw residential constructioin into a deep recession along with related industries and contributed to the economic slowdown of the first half of 1967. There is danger that similar policies may be pursued in 1968, despite the fact that unemployment persists and industry is operating only about 85 percent of its productive capacity.

There are also those who clamor for a slashing of Federal expenditures for such essential measures as Federal aid for education, housing, urban affairs, health care, air and water pollution measures, antipoverty and welfare—those who claim that America's $800 billion economy cannot afford improved public facilities and services in the midst of the Vietnam war.

To adopt unemployment-breeding restrictive measures and to slash expenditures for programs to achieve domestic social progress would be unwise economic policy and dangerous social policy. America needs continued progress toward full employment and it needs improved and expanded public facilities and services to meet the needs of a rapidly growing, urban population.

Recent estimates by the staff of the Joint Economic Committee and the National Planning Association indicate that the real volume of total national production must increase about 4–4½ percent per year merely to prevent unemployment from rising. These estimates are based on the rapid growth of the labor force and increased pace of rising productivity.

A continued reduction of remaining unemployment and underemployment in the period ahead, therefore, will require a continuing rise