

study would include both groups, because I don't think there is that much disparity between the problem that faces each.

Secretary SHULTZ. Let me not leave the impression that I think all of the youth are hard to employ. That is not the case at all. In general, the youth coming into the stream of constructive work in this country are better educated and more strongly motivated and able to hold their own, more than hold their own.

But nevertheless there are problem areas.

Representative BROCK. I am not talking in general terms. I am thinking more of some of the areas I have seen personally—rural school systems which offer a rurally oriented education when there are no opportunities for rural jobs. When they go to the city it is an entirely different world. The dropouts that we mentioned earlier are the type of people that we are talking about, not the average high school graduate.

I have exhausted my time. And I thank you very much.

Senator PROXMIRE (presiding). Senator Miller?

Senator MILLER. Thank you, Mr. Chairman.

Mr. Secretary, I was interested that my colleague, Congressman Reuss, was seeking your assistance in furthering the 13-point Reuss bill. But before you get too far in that thicket I warn you that there are a few little controversial items in that bill, which is one of the reasons why he is still trying to lobby in favor of that bill.

Secretary SHULTZ. I had the impression that it was only the labor area that was controversial, and that those other things—such as taxes—were all handled by the experts.

Senator MILLER. I think his point, though, is that he is trying to find money. And I think most of us are. Most of us have tax bills. And I would like to talk about one.

I am not sure that this fits this structural unemployment problem, or whether we have a structural unemployment problem as such. I detect from your testimony that it is more in the matter of social strata, rather than the structural, as I understand it. But last year the Secretary of Agriculture testified before this committee that half the poor live in the rural areas. I am wondering if you wouldn't agree that it would be a good idea to have more industrial development in the rural areas to absorb these people into meaningful employment, rather than to let them drift away into the big cities and compound the unemployment problems in the big cities.

Secretary SHULTZ. Yes—although people seem to like reasonably good-sized aggregations somehow, I think general community services are what is drawing people to cities. It seems to me that the concept of growth points intermediate-sized cities in the rural areas is a pretty good concept. We should be pointing ourselves in that direction and not thinking always of growth in New York, Chicago, Los Angeles, and so on which, indeed, are places where the population has been leveling off.

Senator MILLER. A number of us are sponsors of a bill to provide tax incentives to industries to locate in the rural areas, following that concept. I won't ask you to commit yourself, but I hope that we might have your assistance on that, and at the same time you might see fit to support Mr. Reuss on one or two of his 13 points.