

REMARKS OF SENATOR HUBERT H. HUMPHREY  
NORTH AMERICAN CONFERENCE ON LABOR STATISTICS

Minneapolis, Minnesota

June 13, 1977

It is a pleasure to be here among so many economists and statisticians, upon whose expertise and advice many of us in public life depend so heavily.

When you have been involved in the public policymaking business as long as I have, you learn the value and importance of timely, accurate and uniform statistics. Without such information, public policymaking is no more than a guessing game, based upon one's own personal observations and intuition.

While the Canadian and U.S. national statistical systems are perhaps the best in the world today, our system is far from what it can and should be. Its organizational structure remains highly fragmented, its advocacy weak, and its funding grossly inadequate.

Our Federal Statistical System today consists of 108 separate agencies collecting economic data. In many cases:

- More than one agency collects data relating to a particular activity;
- The quality of data produced by different agencies often varies widely;
- Too much of the data collected still suffers seriously in terms of its comparability and compatibility; and,
- In many instances, the system fails to capture and present data needed by policymakers in addressing crucial national and subnational problems and opportunities.

Furthermore, as you know, tens of billions of dollars are now disbursed and allocated each year by Federal, State and local governments based upon such data and statistical measurements. It is more important than ever that the latest and most accurate data possible are available and used. Without it, the difficult formula decisions that are made in Congress cannot be fully carried out.

Those of you in this audience, of course, are particularly familiar with the system as it relates to labor statistics, including the problems we all share in this area with respect to defining and reporting employment and unemployment statistics, especially within our nation's center cities, rural areas and individual sectors of the economy.

As Dr. Shiskin knows, having appeared before the Joint Economic Committee so frequently, he and his associates at the Bureau of Labor Statistics have our utmost confidence and support regarding their continuing efforts to improve the quality and maintain the integrity of BLS's operations. He also knows -- despite our tough questioning -- that we recognize BLS as being among the best of statistical operations within the Federal system.

Dr. Shiskin is an outstanding public servant. Both his professional talents and his personal integrity have been tested during his tenure as Commissioner. We all owe him a debt of gratitude for his many accomplishments, not the least of which has been his objectivity.

Continued improvements in the quality of BLS statistical measurements and data are expected in the future, as I'm sure you will hear from Commissioner Shiskin and his associates.

Contributing to such improvements, hopefully, will be:

- The work yet to be undertaken by the National Commission on Employment and Unemployment Statistics, authorized by Public Law 94-444;

- A study now underway which I requested the General Accounting Office to undertake relating to needed improvements in our overall Federal statistical system; and,

- The long-range program for Federal statistics now under public review, and prepared by the Statistical Policy Division of OMB.

In addition to all of these efforts, I want to discuss with you today another related effort, which the Joint Economic Committee, under the leadership of Congressman Bolling and myself, hopes to launch soon, if approved by the Congress.

The Committee plans to conduct a major investigation of the underlying changes and trends occurring within our nation and the world economy. The Committee, through this inquiry, hopes to help identify some of the significant factors, conditions, emerging events and changes that are occurring or likely to occur that may affect the future growth and development of the nation.

We hope to help illuminate the crucial structural changes occurring in our economy and their implications for public policy. The principal areas of the investigation would be:

- The basic demographic changes and what they mean;
- The impact of materials and commodity supply and prices in the economy;
- Long-range trends in public sector finances -- for example, urban finance and Social Security funding;
- Capital formation;
- Changing patterns of industrial and corporate organization;
- International money market, trade and investment projections;
- Research, innovation and productivity; and
- The economic consequences of wars, natural disasters and other disruptions.

As I have said before, we will undertake these investigations in a manner that will show their significance for public policy-making. We believe that such studies and analyses are needed by Congressional policymakers to understand the cross impacts and strategic implications of these emerging trends and changes.

Public policymakers seldom are provided with the perspective they need to place important events and changes in a framework in which they can see and understand the "whole," as well as the "parts."

If we are to cope with the complex and interrelated problems and opportunities of the late 20th century, it is essential that we improve the capacity of government to look ahead and to think more comprehensively in the development of policy choices.

Despite the good statistics we were provided during the post war period revealing the baby boom of that era, for example, little was done to relate the significance of that change in population make-up to public policies affecting elementary, secondary and higher education demands in the years that followed.

We waited until most of those children were literally at the school door before we realized that there were not enough classrooms or teachers to accommodate them. And we have been playing "catch-up" ball with respect to meeting their changing needs ever since. Even today, 25 years later, we haven't seemed to learn to think ahead regarding their needs and problems.

These young people now are looking for jobs and homes for themselves and for their families. But what are many of them finding?

-- No jobs, despite the good education that many of them finally managed to obtain;

-- No houses, despite the abundance of land, building materials and construction skills available to build them; and

-- No hope, despite the promises of several generations of political leaders serving them.

Thirty five million more of these young people have been looking for their first job in this decade than were looking during the 1960's. And, they now are competing with millions of older women who are entering the labor force for the first time. Millions of these young people are trying to establish new households with few options available to buy or even rent decent shelter within their limited income resources.

And let's not lose sight of the sharp decline in births in the United States since 1956.

We have been wrestling with the changing demands of the post-war baby boom group these past 25 years. But the decline in births since the mid 50's has been creating another new set of problems today, such as surplus classrooms and teachers. By 1985, there will be further serious problems, such as tight labor markets, and possibly an over-expansion of our housing stock.

Our nation's policymakers not only need good data and statistical measurements, they also need to have such information presented to them in a way that makes its significance for national, subnational or international policy clear; especially as it relates to the future. It is in this area that we desperately need to have your talents and your techniques applied. And, you can do it.

Here in my home state of Minnesota we understand the importance of this assignment.

In January of 1975, and then again in January of this year, the Minnesota State Planning Agency, in cooperation with the Commission on Minnesota's Future, presented to a joint session of the State Legislature its analysis of state demographic, social, and economic trends -- past, present and likely future.

They gave legislators something they had never had before -- an informed perspective within which they could relate the policy work of their committees to the bigger picture. And as a result, more forward-looking and comprehensive policies now are being constructed to meet the anticipated needs of the people of the state in areas such as housing, education, energy, criminal justice, transportation and in jobs.

And it is this vital additional function that the Joint Economic Committee wants to serve within the Congress. We feel we can help the standing committees of the Congress to better understand how basic changes and events in the economy may be affecting their respective policy work and areas of legislative jurisdiction. We want to provide a better framework for national decisions -- one that reflects the real conditions, present and future, in our nation and the world.

Recent changes in both House and Senate rules require standing Committees to give attention to "foresight" and to conduct studies on future developments and requirements. To carry out this task, committees will need more than timely, accurate and uniform statistical measurements.

They will need the help of the statistical and economic professions to provide them with good trend data, projections and forecasts, designed to identify problems before we are overwhelmed by them.

The statistical profession has a crucial role to play and more attention to it is needed. I hope our Joint Economic Committee can help focus this attention in the future.

In many socio-economic areas you are the wizards of the 20th century. Your electronic "crystal balls," with all of their limitations, are vast improvements over what has been available in the past.

I know that occasionally you get frustrated with some of us who seem to have more questions than there are answers. But bear with us, and work with us.

We need to work more closely together in the future, because together we share the burdens of the policy making process, not for ourselves, but for the nation and its future.

# # # #

St Lou Olson

Dr Julius Shiskin

Mr Wm Rice - Reg. Director BLS

Mr Manuel Plotkin  
Director of the Census Bureau

✓ Tom Alernberg - JEC Chief  
Economist

✓ Courtney Slater - Formerly J.E.C.

REMARKS OF SENATOR HUBERT H. HUMPHREY

# NORTH AMERICAN CONFERENCE ON LABOR STATISTICS

MINNEAPOLIS, MINNESOTA

JUNE 13, 1977



*Economists & Statisticians*  
IT IS A PLEASURE TO BE HERE AMONG SO MANY ECONOMISTS AND  
STATISTICANS, UPON WHOSE EXPERTISE AND ADVICE MANY OF US IN  
PUBLIC LIFE DEPEND SO HEAVILY,

WHEN YOU HAVE BEEN INVOLVED IN THE PUBLIC POLICYMAKING  
BUSINESS AS LONG AS I HAVE, YOU LEARN THE VALUE AND IMPORTANCE  
OF TIMELY, ACCURATE AND UNIFORM STATISTICS. WITHOUT SUCH  
INFORMATION, PUBLIC POLICYMAKING IS NO MORE THAN A GUESSING  
GAME, BASED UPON ONE'S OWN PERSONAL OBSERVATIONS AND INTUITION.

*How do we improve*  
WHILE THE CANADIAN AND U.S. NATIONAL STATISTICAL SYSTEMS  
ARE PERHAPS THE BEST IN THE WORLD TODAY, OUR SYSTEM IS FAR  
FROM WHAT IT CAN AND SHOULD BE. ITS ORGANIZATIONAL STRUCTURE  
REMAINS HIGHLY FRAGMENTED, ITS ADVOCACY WEAK, AND ITS FUNDING  
GROSSLY INADEQUATE.

*just a brief summary  
you reveals*

*what*  
OUR FEDERAL STATISTICAL SYSTEM TODAY CONSISTS OF 108

SEPARATE AGENCIES COLLECTING ECONOMIC DATA. *L* IN MANY CASES:

*L* MORE THAN ONE AGENCY COLLECTS DATA RELATING TO A  
PARTICULAR ACTIVITY;

*L* THE QUALITY OF DATA PRODUCED BY DIFFERENT AGENCIES  
OFTEN VARIES WIDELY;

*L* -- TOO MUCH OF THE DATA COLLECTED STILL SUFFERS SERIOUSLY  
IN TERMS OF ITS COMPARABILITY AND COMPATIBILITY; AND,

-- IN MANY INSTANCES, THE SYSTEM FAILS TO CAPTURE AND  
PRESENT DATA NEEDED BY POLICYMAKERS IN ADDRESSING CRUCIAL  
NATIONAL AND SUBNATIONAL PROBLEMS AND OPPORTUNITIES.

*L* ~~Furthermore~~ *L* AS YOU KNOW, TENS OF BILLIONS OF DOLLARS  
ARE NOW DISBURSED AND ALLOCATED EACH YEAR BY FEDERAL,

STATE AND LOCAL GOVERNMENTS BASED UPON SUCH DATA AND STATISTICAL  
MEASUREMENTS. <sup>therefore</sup> IT IS MORE IMPORTANT THAN EVER THAT THE LATEST  
AND MOST ACCURATE DATA POSSIBLE ARE AVAILABLE AND USED WITHOUT  
IT, THE DIFFICULT FORMULA DECISIONS THAT ARE MADE IN CONGRESS  
CANNOT BE FULLY CARRIED OUT. ( state employment offices )

THOSE OF YOU IN THIS AUDIENCE, OF COURSE, ARE PARTICULARLY  
FAMILIAR WITH THE SYSTEM AS IT RELATES TO LABOR STATISTICS,  
INCLUDING THE PROBLEMS WE ALL SHARE IN THIS AREA WITH RESPECT  
TO DEFINING AND REPORTING EMPLOYMENT AND UNEMPLOYMENT STATISTICS,  
ESPECIALLY WITHIN OUR NATION'S CENTER CITIES, RURAL AREAS AND  
INDIVIDUAL SECTORS OF THE ECONOMY.

AS DR. SHISKIN KNOWS, HAVING APPEARED BEFORE THE JOINT  
ECONOMIC COMMITTEE SO FREQUENTLY, HE AND HIS ASSOCIATES AT THE



BUREAU OF LABOR STATISTICS HAVE OUR UTMOST CONFIDENCE AND SUPPORT  
REGARDING THEIR CONTINUING EFFORTS TO IMPROVE THE QUALITY AND MAIN-  
TAIN THE INTEGRITY OF BLS'S OPERATIONS. / HE ALSO KNOWS -- DESPITE  
OUR TOUGH QUESTIONING -- THAT WE RECOGNIZE BLS AS BEING AMONG THE  
BEST OF STATISTICAL OPERATIONS WITHIN THE FEDERAL SYSTEM.

/ DR. SHISKIN IS AN OUTSTANDING PUBLIC SERVANT. / BOTH HIS  
PROFESSIONAL TALENTS AND HIS PERSONAL INTEGRITY HAVE BEEN  
TESTED DURING HIS TENURE AS COMMISSIONER, / WE ALL OWE HIM A  
DEBT OF GRATITUDE FOR HIS MANY ACCOMPLISHMENTS, NOT THE LEAST  
OF WHICH HAS BEEN HIS OBJECTIVITY.

/ CONTINUED IMPROVEMENTS IN THE QUALITY OF BLS STATISTICAL  
MEASUREMENTS AND DATA ARE EXPECTED IN THE FUTURE, AS I'M SURE  
YOU WILL HEAR FROM COMMISSIONER SHISKIN AND HIS ASSOCIATES.

CONTRIBUTING TO SUCH IMPROVEMENTS, HOPEFULLY, WILL BE:

↳ -- THE WORK YET TO BE UNDERTAKEN BY THE NATIONAL  
COMMISSION ON EMPLOYMENT AND UNEMPLOYMENT STATISTICS,  
AUTHOR<sup>2</sup>IED BY PUBLIC LAW 94-444;

↳ -- A STUDY NOW UNDERWAY WHICH I REQUESTED THE GENERAL  
ACCOUNTING OFFICE TO UNDERTAKE RELATING TO NEEDED  
IMPROVEMENTS IN OUR OVERALL FEDERAL STATISTICAL  
SYSTEM; AND,

↳ -- THE LONG-RANGE PROGRAM FOR FEDERAL STATISTICS NOW  
UNDER PUBLIC REVIEW, AND PREPARED BY THE STATISTICAL  
POLICY DIVISION OF OMB.

IN ADDITION TO ALL OF THESE EFFORTS, I WANT TO DISCUSS WITH YOU  
TODAY ANOTHER RELATED EFFORT, WHICH THE JOINT ECONOMIC COMMITTEE,

UNDER THE LEADERSHIP OF CONGRESSMAN BOLLING AND MYSELF, HOPES  
TO LAUNCH SOON, IF APPROVED BY THE CONGRESS,

THE COMMITTEE PLANS TO CONDUCT A MAJOR INVESTIGATION OF  
THE UNDERLYING CHANGES AND TRENDS OCCURING WITHIN OUR NATIONAL  
AND THE WORLD ECONOMY. THE COMMITTEE, THROUGH THIS INQUIRY,  
HOPES TO HELP IDENTIFY SOME OF THE SIGNIFICANT FACTORS, CONDITIONS,  
EMERGING EVENTS AND CHANGES THAT ARE OCCURING OR LIKELY TO OCCUR  
THAT MAY AFFECT THE FUTURE GROWTH AND DEVELOPMENT OF THE NATION.

WE HOPE TO HELP ILLUMINATE THE CRUCIAL STRUCTURAL CHANGES  
OCCURING IN OUR ECONOMY AND THEIR IMPLICATIONS FOR PUBLIC POLICY.

THE PRINCIPAL AREAS OF THE INVESTIGATION WOULD BE:

-- THE BASIC DEMOGRAPHIC CHANGES AND WHAT THEY MEAN;

L-- THE IMPACT OF MATERIALS AND COMMODITY SUPPLY AND  
PRICES IN THE ECONOMY;

L-- LONG-RANGE TRENDS IN PUBLIC SECTOR FINANCES -- FOR  
EXAMPLE, URBAN FINANCE AND SOCIAL SECURITY FUNDINGS;

L-- CAPITAL FORMATION;

L-- CHANGING PATTERNS OF INDUSTRIAL AND CORPORATE ORGANIZATION;

L-- INTERNATIONAL MONEY MARKET, TRADE AND INVESTMENT  
PROJECTIONS;

L-- RESEARCH, INNOVATION AND PRODUCTIVITY; AND

L-- THE ECONOMIC CONSEQUENCES OF WARS, NATURAL DISASTERS  
AND OTHER DISRUPTIONS.

L AS I HAVE SAID BEFORE, WE WILL UNDERTAKE THESE INVESTIGATIONS  
IN A MANNER THAT WILL SHOW THEIR SIGNIFICANCE FOR PUBLIC POLICY-  
MAKING.

WE BELIEVE THAT SUCH STUDIES AND ANALYSES ARE NEEDED BY

CONGRESSIONAL POLICYMAKERS TO UNDERSTAND THE CROSS IMPACTS AND  
STRATEGIC IMPLICATIONS OF THESE EMERGING TRENDS AND CHANGES.

PUBLIC POLICYMAKERS SELDOM ARE PROVIDED WITH THE PERSPECTIVE  
THEY NEED TO PLACE IMPORTANT EVENTS AND CHANGES IN A FRAMEWORK  
IN WHICH THEY CAN SEE AND UNDERSTAND THE "WHOLE," AS WELL AS THE  
"PARTS."

IF WE ARE TO COPE WITH THE COMPLEX AND INTERRELATED PROBLEMS  
AND OPPORTUNITIES OF THE LATE 20TH CENTURY, IT IS ESSENTIAL  
THAT WE IMPROVE THE CAPACITY OF GOVERNMENT TO LOOK AHEAD AND TO  
THINK MORE COMPREHENSIVELY IN THE DEVELOPMENT OF POLICY CHOICES.

DESPITE THE GOOD STATISTICS WE WERE PROVIDED DURING THE  
POST WAR PERIOD REVEALING THE BABY BOOM OF THAT ERA, FOR EXAMPLE,

LITTLE WAS DONE TO RELATE THE SIGNIFICANCE OF THAT CHANGE IN the  
POPULATION MAKE-UP TO PUBLIC POLICIES AFFECTING ELEMENTARY,  
SECONDARY AND HIGHER EDUCATION DEMANDS IN THE YEARS THAT FOLLOWED.

h = WE WAITED UNTIL MOST OF THOSE CHILDREN WERE LITERALLY AT  
THE SCHOOL DOOR BEFORE WE REALIZED THAT THERE WERE NOT ENOUGH  
CLASSROOMS OR TEACHERS TO ACCOMMODATE THEM, AND WE HAVE BEEN  
PLAYING "CATCH-UP" BALL WITH RESPECT TO MEETING THEIR CHANGING  
NEEDS EVER SINCE. EVEN TODAY, 25 YEARS LATER, WE HAVEN'T SEEMED  
TO LEARN TO THINK AHEAD REGARDING THEIR NEEDS AND PROBLEMS.

THESE YOUNG PEOPLE NOW ARE LOOKING FOR JOBS AND HOMES FOR  
THEMSELVES AND FOR THEIR FAMILIES. BUT WHAT ARE MANY OF THEM  
FINDING?

L -- NO JOBS, DESPITE THE GOOD EDUCATION THAT MANY OF  
THEM FINALLY MANAGED TO OBTAIN;



L -- NO HOUSES, DESPITE THE ABUNDANCE OF LAND, BUILDING  
MATERIALS AND CONSTRUCTION SKILLS AVAILABLE TO BUILD  
THEM; AND

L -- NO HOPE, DESPITE THE PROMISES OF SEVERAL GENERATIONS  
OF POLITICAL LEADERS SERVING THEM.

L THIRTY FIVE MILLION MORE OF THESE YOUNG PEOPLE HAVE BEEN  
LOOKING FOR THEIR FIRST JOB IN THIS DECADE THAN WERE LOOKING  
DURING THE 1960's. L AND, THEY NOW ARE COMPETING WITH MILLIONS  
OF OLDER WOMEN WHO ARE ENTERING THE LABOR FORCE FOR THE  
FIRST TIME. L MILLIONS OF THESE YOUNG PEOPLE ARE TRYING TO  
ESTABLISH NEW HOUSEHOLDS WITH FEW OPTIONS AVAILABLE TO BUY  
OR EVEN RENT DECENT SHELTER WITHIN THEIR LIMITED INCOME  
RESOURCES.

AND LET'S NOT LOSE SIGHT OF THE SHARP DECLINE IN BIRTHS  
IN THE UNITED STATES SINCE 1956.

*What does this mean  
for the American Economy  
of a governmental decision?*

WE HAVE BEEN WRESTLING WITH THE CHANGING DEMANDS OF THE  
POST-WAR BABY BOOM GROUP THESE PAST 25 YEARS.

BUT THE DECLINE  
IN BIRTHS SINCE THE MID 50'S HAS BEEN CREATING ANOTHER NEW SET  
OF PROBLEMS TODAY, SUCH AS SURPLUS CLASSROOMS AND TEACHERS.

By 1985, THERE WILL BE FURTHER SERIOUS PROBLEMS, SUCH AS TIGHT  
LABOR MARKETS, AND POSSIBLY AN OVER-EXPANSION OF OUR HOUSING STOCK.

*Then The Aging of our Population - its significance*  
OUR NATION'S POLICYMAKERS NOT ONLY NEED GOOD DATA AND

STATISTICAL MEASUREMENTS, THEY ALSO NEED TO HAVE SUCH INFORMATION

PRESENTED TO THEM IN A WAY THAT MAKES ITS SIGNIFICANCE FOR

NATIONAL, SUBNATIONAL OR INTERNATIONAL POLICY CLEAR; ESPECIALLY

AS IT RELATES TO THE FUTURE.

L IT IS IN THIS AREA THAT WE DESPERATELY NEED TO HAVE YOUR

TALENTS AND YOUR TECHNIQUES APPLIED, AND, YOU CAN DO IT!

(X) L HERE IN MY HOME STATE OF MINNESOTA WE UNDERSTAND THE

IMPORTANCE OF THIS ASSIGNMENT.

L IN JANUARY OF 1975, AND THEN AGAIN IN JANUARY OF THIS YEAR,  
THE MINNESOTA STATE PLANNING AGENCY, IN COOPERATION WITH THE  
COMMISSION ON MINNESOTA'S FUTURE, PRESENTED TO A JOINT SESSION  
OF THE STATE LEGISLATURE ITS ANALYSIS OF STATE DEMOGRAPHIC,  
SOCIAL, AND ECONOMIC TRENDS -- PAST, PRESENT AND LIKELY FUTURE.

L THEY GAVE LEGISLATORS SOMETHING THEY HAD NEVER HAD  
BEFORE -- AN INFORMED PERSPECTIVE WITHIN WHICH THEY COULD  
RELATE THE POLICY WORK OF THEIR COMMITTEES TO THE BIGGER  
PICTURE.

AND AS A RESULT, MORE FORWARD-LOOKING AND COMPREHENSIVE

POLICIES NOW ARE BEING CONSTRUCTED TO MEET THE ANTICIPATED NEEDS

OF THE PEOPLE OF THE STATE IN AREAS SUCH AS HOUSING, EDUCATION,

ENERGY, CRIMINAL JUSTICE, TRANSPORTATION AND IN JOBS.

AND IT IS THIS VITAL ADDITIONAL FUNCTION THAT THE JOINT  
ECONOMIC COMMITTEE WANTS TO SERVE WITHIN THE CONGRESS. WE

FEEL WE CAN HELP THE STANDING COMMITTEES OF THE CONGRESS TO

BETTER UNDERSTAND HOW BASIC CHANGES AND EVENTS IN THE ECONOMY

MAY BE AFFECTING THEIR RESPECTIVE POLICY WORK AND AREAS OF

LEGISLATIVE JURISDICTION. WE WANT TO PROVIDE A BETTER

FRAMEWORK FOR NATIONAL DECISIONS -- ONE THAT REFLECTS THE

REAL CONDITIONS, PRESENT AND FUTURE, IN OUR NATION AND THE

WORLD.

At the Exec. Dept Level - Need of Planning,  
data information, analysis, forecasting

RECENT CHANGES IN BOTH HOUSE AND SENATE RULES REQUIRE  
STANDING COMMITTEES TO GIVE ATTENTION TO "FORESIGHT" AND TO  
CONDUCT STUDIES ON FUTURE DEVELOPMENTS AND REQUIREMENTS.

TO CARRY OUT THIS TASK, COMMITTEES WILL NEED MORE ~~TO~~ TIMELY,  
ACCURATE AND UNIFORM STATISTICAL MEASUREMENTS.

THEY WILL NEED THE HELP OF THE STATISTICAL AND ECONOMIC  
PROFESSIONS TO PROVIDE THEM WITH GOOD TREND DATA, PROJECTIONS  
AND FORECASTS, DESIGNED TO IDENTIFY PROBLEMS BEFORE WE ARE  
OVERWHELMED BY THEM.

THE STATISTICAL PROFESSION HAS A CRUCIAL ROLE TO PLAY  
AND MORE ATTENTION TO IT IS NEEDED. I HOPE OUR JOINT ECONOMIC  
COMMITTEE CAN HELP FOCUS THIS ATTENTION IN THE FUTURE.

IN MANY SOCIO-ECONOMIC AREAS YOU ARE THE WIZARDS OF THE  
20TH CENTURY. YOUR ELECTRONIC "CRYSTAL BALLS," WITH ALL  
OF THEIR LIMITATIONS, ARE VAST IMPROVEMENTS OVER WHAT HAS  
BEEN AVAILABLE IN THE PAST.

I KNOW THAT OCCASIONALLY YOU GET FRUSTRATED WITH SOME  
OF US WHO SEEM TO HAVE MORE QUESTIONS THAN THERE ARE ANSWERS.  
BUT BEAR WITH US, AND WORK WITH US.

WE NEED TO WORK MORE CLOSELY TOGETHER IN THE FUTURE,  
BECAUSE TOGETHER WE SHARE THE BURDENS OF THE POLICY MAKING  
PROCESS, NOT FOR OURSELVES, BUT FOR THE NATION AND ITS FUTURE.

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# Selected Papers from North American Conference on Labor Statistics

*Hungary  
Statement  
page 5*



June 13-16, 1977  
Minneapolis, Minnesota

U.S. Department of Labor  
Bureau of Labor Statistics  
Minnesota:

Department of Labor and Industry  
Department of Employment Services  
Governor's Manpower Office



## Keynote Address

The Honorable Hubert H. Humphrey  
United States Senate  
State of Minnesota

I always have a good time when Dr. Shiskin is around. He does a marvelous job for us and I am going to have a little something to say about him.

Let me quickly thank you for the privilege you have accorded me this morning of sharing this time with you. I was in the back of the room when my friend the Lieutenant Governor of Minnesota was addressing you. And I said to myself, "There he goes stealing some of my lines in talking about the uniformity of statistical information." You are not supposed to do that Governor; you are supposed to just say welcome and tell them about the 10,000 lakes in Minnesota instead of being profound and informed on all these sorts of things that are competitive with Senators who think they know something. You just have to behave a little better than this. But he is a long time personal friend and, as you know, a former member of Congress. We are very proud of him.

We are also pleased to have the Director of the Census with us today. I understand this is the only time that the Commissioner of Labor Statistics and the Director of the Census have been together on this podium, so we are making some history. That proves that we can improve the statistical information gathering when you get the two big honchos working together. We are very pleased also to have Mr. Rice, a highly respected gentleman, the Regional Commissioner of the Bureau of Labor Statistics, and others. And Tom Dernburg, our Chief Economist from the Joint Economic Committee, is with us.

Now, I am accustomed to addressing audiences, but there are two or three audiences that terrify me. One is an audience in which members of my family are present. I do not like that because I always get a critical analysis immediately after the speech. Another one is in the old hometown, when you go back where you went to high school and they look you all over, you know, and that just sort of terrifies you. And the third audience that concerns me is when it is filled up with people who are statisticians and economists. You are a special breed. I do not know whether I stand in awe or trepidation or what it is, but something comes over me. So if I do not do too well this morning, it is due to several factors--some of which I have not even mentioned, including the fact that I was out with some of my neighbors last night. You know what that means--that you should accept no speaking engagements until Tuesday.

But truly, in all seriousness, we are happy that you are here and it is so good that you have come together at this time. The information that you provide is so vital to the decisions of government.

When you have been involved in policymaking and this legislative business as long as I have, you begin to learn the value and the importance of timely, accurate and uniform statistics. Without such information, public policymaking is no more than a guessing game--guessing what is going on, hopeful that you are right, based upon one's personal observations, intuition and all too often prejudice. We cannot afford that kind of gamesmanship. You not only provide us with data, you provide data upon which major decisions of the government are predicated.

While the Canadian and United States national statistical systems are generally regarded as some of the best in the world, if not the best, our system, as you would be the first to recognize, is far from what it can and should be. There is a constant need of modernization, upgrading, improving, seasonally adjusting--you know Dr. Shiskin--trying to make them more accurate. I have been looking, for the purpose of this meeting, at the organizational structure of our system and I have to tell you that it still remains highly fragmented. Its advocacy is sometimes weak. And its funding is grossly inadequate.

When I came in this hall I was mentioning to Dr. Shiskin that I had to get back to the Senate. He said he had been worried whether or not I would even make it here today. I noted that the only bill docketed this afternoon was the authorization for the Energy Research and Development Administration. He said "Good! I was worried that it might be the appropriation for BLS." He relaxed immediately.

As I looked over the structural organization and made a very brief examination, I found that if you deal with our Federal statistical system today it consists of 108 separate agencies collecting economic data. Now that is just at the Federal level. Many of you are at the State level--most of you, as a matter of fact. And, of course, the information that we deal with at the Federal level climbs its way up from where you collect it at the State and local level. And, therefore, there is a definite need for the improvement of our professionalism at all levels of the statistical gathering area. In many cases:

- More than one agency at the Federal level collects data pertaining to a particular agency. That is not all bad, because duplication implies a check;
- In other cases quality of data produced by different agencies often varies widely;
- Too much data collected still suffers seriously in terms of comparability and compatibility; and,
- In many instances, the system fails to capture and present data needed by policymakers in addressing crucial national and subnational problems and opportunities.

As I have indicated, and you are so well aware, tens of billions of dollars are now disbursed and allocated each year by Federal, State and local governments based upon such data and statistical measurements. Therefore, it is more important than ever that the latest and most accurate data possible are available and used. Without it, the difficult formula decisions that are made in Congress cannot be fully carried out.

I think also that Congress needs to understand this more clearly so that the data gathering systems, the informational systems, are properly funded and staffed. We pass laws in which we have the most complex and intricate formula for the allocation of Federal funds down to State and local levels; and, likewise, State governments do the same. But sometimes we starve the very people and instrumentalities for the gathering of this information by inadequate funding.

Now those of you in this audience, of course, are particularly familiar with the system as it relates to labor statistics, including the problems with respect to defining and reporting employment and unemployment statistics. Then too many of you are dealing with the cost of living, and Consumer Price Index, especially within our Nation's center cities, rural areas and individual sectors of the economy. And I mention these three in particular: central cities, our rural areas and individual sectors because those are all special problem areas. It is very difficult to get the accurate information you need out of some of the central cities, the old cities where many of our unemployment and social problems exist. There is too little really good outreach into the rural areas; too little timely information about what is going on in rural America where real poverty exists--for example, where underemployment is characteristic of the economy, where very inadequate information is available in terms of housing and many of the public services that are required.

I am the author of the National Rural Development Act. I watched its slow implementation and believe me it has been very slow. And hopefully there will be a little more determined effort. But much of America today is rural not urban, even though we concentrate upon urban poverty because that is where the daily newspapers are, that is where the television cameras are, and it is hard to get a reporter any further away than the last pub that he can reach. When you start going into the rural areas it is like you went to the moon. Believe me, I know of what I speak. Much of the information that the general public gets is related, of course, to those presentations that are made in Time, the New York Times, and some of the great metropolitan dailies in Los Angeles, Chicago, Philadelphia, Baltimore and Washington. But they know very little about rural America and care less. And yet in rural America stands some of the most important and most critically important socio-economic problems that face this country.

And then we have individual sectors of our economy that are glossed over all too often at least in the public presentation of information. I do not say that the information is not there, but it loses its sense of attractiveness or its sense of importance when its all bunched together. On the problem of structural unemployment today, for example--youth unemployment is that we know the statistics but we do not know the answers and we have to do a better job.

As Dr. Shiskin knows, having appeared before the Joint Economic Committee so frequently as he has mentioned, he and his associates at the Bureau of Labor Statistics have our utmost confidence and support regarding their continuing efforts to improve the quality and maintain the integrity of the BLS operation. He also knows--despite some of our tough questioning--that we recognize the BLS as being among the best of the statistical operations within the Federal system.

Dr. Shiskin, to put it bluntly and frankly, and candidly, is an outstanding public servant. And those of us that work with him are very proud of him and feel that he has fulfilled his duties with a high degree of honor and ability.



Both his professional talents and his personal integrity have been tested during his tenure as Commissioner. We all owe him a debt of gratitude for his many accomplishments, not the least of which has been his objectivity. Believe me I speak now for every member of the Joint Economic Committee. Some of us have written to the President about this good man. We think he has done a first-class job and I think you ought to let him know about it right now.

Continued improvements in the quality of BLS statistical measurements and data are expected in the future, as I am sure you will hear from Commissioner Shiskin and others.

Contributing to such improvements, hopefully, will be:

- The work yet to be undertaken by the National Commission on Employment and Unemployment Statistics, authorized by recent public law;
- A study now underway which I requested the General Accounting Office to undertake relating to needed improvements in our overall Federal statistical system. There is a comprehensive study now in the making; and then
- The long-range program for Federal statistics now under public review, and prepared by the Statistical Policy Division of the Office of Management and Budget.

In addition to all of these efforts, I want to discuss with you for a moment another related effort, which the Joint Economic Committee under the leadership of Chairman Bolling in the House and I, hope to launch soon, if approved by the Congress.

The JEC plans to conduct a major investigation of the underlying changes and trends occurring within our national and world economy. This is no quicky. This will take at least two to three years to really do it and do it right. It requires the kind of analysis that was made one time under the leadership of the late Senator from Wyoming, Jose O'Mahoney, by the Temporary National Economic Committee. We need that in-depth analysis of this economy of ours because so much had happened - it had changed so dramatically and drastically. The Committee, through this inquiry, hopes to help identify some of the significant factors, conditions, and emerging events and changes that are occurring or likely to occur that might affect the future growth and development of the Nation.

We hope to help illuminate the crucial structural changes occurring in our economy and their implications for public policy. The principal areas of the investigation--this does not include all of them--would be:

- The basic demographic changes and what they mean. This is critical;
- The impact of materials and commodity supply prices in the economy--availability or shortages;
- Long-range trends in public sector finances--for example, urban finance and Social Security funding;

- Capital formation for our private economy;
- Changing patterns of industrial and corporate organization;
- International money market, trade and investment projections;
- Research, innovation and productivity; and
- The economic consequences of wars, natural disasters and other disruptions.

As I have said before, we will undertake these investigations in a manner that we hope will show their significance for public policymaking. We believe that such studies and analyses are needed by Congressional policymakers to understand the cross impacts and strategic implications of these emerging trends and changes.

Public policymakers seldom are provided with the perspective they need to place important events and changes in a framework in which they can see and understand the "whole" picture as well as the "parts."

Now I might say that with all of the information that we have available we are not prone to use too much. There is a lack of understanding in the Congress itself about looking to the future. And why? Because every boy and girl of this country is brought up with the idea that government should not plan. It is subconscious, and what you are trying to do is remember the yesterdays and hopefully come to grips with the present and let God take care of the future. That is about what it boils down to. I have been amazed in my years in Congress how little attention is paid to what might be coming. Most of the time we are playing catch up, trying to catch up with what has been, repairing the ship of state from its last or its most recent cruise rather than projecting its further movements.

If we are going to cope with these complex and interrelated problems and opportunities of the late 20th century and enter the 21st century, it is essential that we improve the capacity of government to look ahead and think more comprehensively at the development of policy changes. Of course, this does mean more than just statistical data gathering. It means using the data; it means planning; it means predictions; it means foresight; it means analyses; and all the things that individual departments of government are doing, but too little of it is coordinated. The Office of Management and Budget does a good deal of this work--I grant you that I am very critical of the OMB most of the time. Not because of the professional competence, because they are professionals, simply because they do not agree with me. I am less than objective. Most of the things I have ever wanted for the State of Minnesota the OMB writes me a letter and says it is not within the President's program. I do not think they know as much about the President's program as I do. I listened to their speeches when they ran for office and I always thought I knew what was in the President's programs.

Despite the good statistics we were provided during the post-war period revealing the baby boom of that era, for example, little was done to relate the significance of that change in population make-up to public policies affecting elementary, secondary and higher education demands in the years that followed. We knew what the facts were and the facts were gathered by the Bureau of the Budget. But the BOB was not the social planning instrumentality;

it had limited responsibilities. Its main idea is to hold down spending, which I do not always agree with, particularly when they are projects in which I am interested.

We waited until most of those children were literally at the school door before we realized that there were not enough classrooms or teachers to accommodate them, and I am here to predict to you the same thing is going to happen on energy.

You hear the President addressing the country daily on our energy requirements. We have nothing but news about the energy shortage. Yet the Gallup polls show that 54 percent of the American people do not even know we imported any oil. When there is so much information you can find, it ceases to be of any value. We are flooded with minutiae. We find out that somebody broke their toe over in Uganda and that is a news item. So you break your back in Minneapolis and nobody pays any attention. I repeat to you that there is a flood tide of nonsensical minutiae that diminishes the importance of those things that really ought to be known.

We have waited too long and we have been playing "catch-up" ball with respect to meeting the changing needs of this post-war baby crop ever since. Even today, 25 years later, we have not seemed to learn to think ahead regarding their needs and problems.

These young people now are looking for jobs and homes for themselves and for their families. But what are many of them finding?

- Too few jobs, despite the good education that many of them finally managed to obtain. We kept right on training teachers. There are literally hundreds of thousands of college graduates out there that are trained teachers, but nobody to teach. We apparently could not turn off the spigot.
- All too often, too little hope, despite the promises of several generations of political leaders serving them.

Thirty-five million more of these young people have been looking for their first job in this decade than were looking in the 1960's. And, they now are competing with millions of older women who are entering the labor force for the first time. We discussed this ad infinitum in the Joint Economic Committee. I have heard Dr. Shiskin point out how the labor force is growing, and how the number of people employed is growing month by month--a tremendous growth--and yet there is a high rate of unemployment because of the change in the structure of the labor force by the new entrants. Millions of these young people are trying to establish new households with few options available to buy or even rent decent shelter within their limited income and resources.

And let's not lose sight of the sharp decline in births in the United States during the last two decades. This is a complete 180 degree turn. What does this mean for the American economy? What does this mean for the labor market? What does this mean for the housing market? What does this mean for consumer goods? What does this mean for governmental decisions as it relates to the needs of the elderly in this country? Our population is growing older. For a period of time we will grow substantially older. There are larger numbers of people that will be the beneficiaries under current law of Social Security and all the other acts such as the Older Americans Act.

We have been wrestling with the changing demands of the post-war baby boom group these past 25 years. But the decline in births since the mid-1950's has been creating another new set of problems today, such as surplus classrooms and teachers. By 1985, there will be further serious problems, such as tight labor markets, and possibly an over-expansion of our housing stock. And it can change dramatically within a 10-15 year period.

Our nation's policymakers, therefore, not only need good data and statistical measurements, they also need to have such information presented to them in a way that makes its significance for national, subnational, or international policy clear; especially as it relates to the future. It is in this area that we desperately need to have your help and talents and your techniques applied. And, of course, we believe that you can do it.

Let me again say, as I was mentioning a moment ago, sometimes those of us in policymaking, and I am sure you as professionals must despair, do not reach a decision. And I go back again to energy--what we call the energy crisis. The people do not believe that there is a crisis. There is no such thing when you see the automobile companies closing up the plants for the production of small cars; when you see the American population buying bigger and bigger cars and using more and more gas. As a matter of fact, the consumption of gasoline has gone up on a per capita basis since the President addressed the nation on the energy crisis. They are going to get the last ride.

We almost came to an energy program back in 1973--almost--but the OPEC leaders that were educated in the United States knew the American public better than we gave them credit for. They were educated in our best schools and they knew that if they kept that embargo on another six months we would do something about it. So they just touched us up enough just to let us know that what they could do to us to show us that they could jack up that price and that they could turn off the spigot. And when it looked like we might get busy and start some planning and get at it, they said whoops. Those boys have been educated at Harvard, Cal Tech and other places, they said, "Hold on their catching on. Turn on the oil again, we are not going to let this thing go because there is a lot to be made out of this for a while. We can catch them later on at another time around." I am sure that is what they tell them. I am as positive as my name is Hubert Humphrey.

The American people, I have often said, have a physiological sense of public policy--empty stomach, full head; full stomach, empty head.

Let's take a look at our agricultural situation out here right now. Last year right in this state farmers piled up every piece of land they could get their hands on to put wheat into production. Why? Because wheat was \$4 a bushel. Instead of producing soybeans, which they had a good market for all the time--this is a soybean producing and corn producing state--they cut down on the production of soybeans and went into wheat. Now we have a billion two hundred million bushels of wheat in surplus, we will have a billion eight hundred million bushels by the end of this crop year. The price of wheat is down to \$1.85 and now they say, "You know maybe we ought to do something."

Ladies and gentlemen, until somehow or another we are able to take statistical evidence that you are able to generate on both short-run and long-term projections and put it into some kind of public policymaking



institutionalization, statistics are going to be just like rain drops. They are just there, and when they hit the soil they will either be absorbed or they will fade away. I have seen this happen.

We have got to do more than just gather information. Because information is but a tool for judgment and unless we have the judgmental capacity, and unless we have the institutionalization for the utilization of statistical information, both short-term and long-term, we get very little out of it.

Now let me give you an example. In January 1975, and then again in January of this year, the Minnesota State Planning Agency, in cooperation with the Commission on Minnesota's Future, presented to a joint session of the state legislature its analysis of state demographic, social, and economic trends--past, present and likely future.

They gave the legislators in joint session--not just some little subcommittee or committee, but the whole legislature--something they had never had before--an informed perspective within which they could relate the policy work of their committees and their respective houses in the legislature to the bigger picture. Wouldn't it be wonderful if the Congress of the United States would sit down long enough to listen as a body for one week's period of time to the statistical information that we have on social and economic matters that affect our economy, the projections for the future, as well as indications on the present to get an indoctrination of where we are going.

Dear friends, I speak with great conviction about this because I am a hard working legislator. I would not work as hard as I do for any private employer. I would sue you for slavery and inhuman treatment. You give up your life for this business, and yet I have been there all these many years and I know so little about where this country is going, unless there is a crisis. I have some idea today about energy. But I venture to say that if I went to the most informed part of our legislature and said what will be the housing needs for certain income groups for the next 10 years, they would look at me with a blank stare. They wouldn't know! What are going to be the needs for critical metals? Where are we going to get them? What is going to be happening in terms of the projections of consumer demand? What needs must be met by our transportation system?

Take a look at what has happened right here. One of the big problems in the United States today is bridges. We built interstate highway systems all over the United States, but we forgot that you have to have feeder systems. Everybody cannot use the interstate highway system. In the State of Minnesota we have four and six ton bridges and we have eight and ten ton trucks and it is that way all over the United States. Thousands of bridges today are bottle-necks for our transportation system. Transportation is a high-cost item in the Consumer Price Index. The transportation costs add a very substantial degree to the cost of the product and transportation costs reduce the margin the producer has. I know of one cooperative in this state that in order to get to the Twin Cities market has to bring its milk 167 extra miles. This is because it cannot cross the bridges that would be going the most convenient and shortest routes into the city. That means the use of energy, and the use of heavy equipment increases the cost of the delivery of that product. But no one every took a look ahead. If they did no one ever found out about it and now we are helter skelter trying to fix up a little bridge here and there. That is just the most simple thing that we are talking about. We converted from streetcars to buses. We did it in the 1950's after the Paley Commission report

that predicted the energy crisis in the 1970's. We did not take a look at whether or not there would be adequate fuel for the buses. We did not take a look at pollution, even though we knew in the 1950's a good deal about the environment. All the reports were there. We filed away enough reports to fill three Libraries of Congress. We had studies on the environment in the 1950's and 1960's. We did not have to wait until the 1970's to wake up to the fact that you could choke to death in smog. The British Government had made studies on the environment simply because they had to. But we paid no attention to them.

Now I know that I sound like a harping critic and a sort of an angry citizen, and I am frustrated to be frank about it. Because I do not know how you awaken the public to these things and I am a communicator and an educator. I guess one of the reasons I am here is because I feel so strongly about what I am saying to you. We have in the American psychic make-up, primarily because of, I think, the captains of industry and finance, a bitter resentment towards any kind of governmental planning or foresight. And then when we do not plan we get criticized because we do not do it. The last time we had a planning agency in this government was at the time of Franklin Roosevelt with the Financial Resources Planning Board. That is the last one. The only thing we have today that is even close to it is the Office of Management and Budget and I do not even know who those fellows are except for Burt Lance. I am suspicious of anyone that has a passion for anonymity. I am even suspicious of some people with passions. And I sure am suspicious of anybody that wants to be anonymous. Well, enough of that. Those are just some of my little prejudices.

In the State of Minnesota as a result, as I said, we were able to take a look at our condition through the State Planning Agency meetings with our legislature on the future needs in areas such as housing, education, energy, criminal justice, transportation and in jobs. I do not say it is a remedy. I do not say that it answers our problems, but it gives us some sense of perspective.

And through this vital, additional function, the Joint Economic Committee feels it might help serve within the Congress. We feel we can help the standing committees of the Congress to better understand how basic changes and events in the economy may be affecting their respective policy work and areas of legislative jurisdiction. We want to provide a better framework for national decisions--one that reflects the real conditions, present and future, in our nation and the world.

Recent changes in both House and Senate rules require standing committees to give attention to "foresight" and to conduct studies on future developments and requirements. To carry out this task, committees will need more timely, accurate and uniform statistical measurements.

They will need the help of the statistical and economic professions to provide them with good trend data, projections and forecasts, designed to identify problems before we are overwhelmed by them. I guess that old slogan "You either design your future or resign yourself to it" is more pertinent today than ever before.

The statistical profession has a crucial role to play and more attention to it is needed. I hope our Joint Economic Committee can help focus this attention in the future.



In many socio-economic areas you are the wizards of the 20th century. Your electronic "crystal balls," with all of their limitations, are vast improvements over what has been available in the past.

I know that occasionally you get frustrated, as I indicated I am this morning, and you feel that most of us in Congress have more questions than anybody can possibly provide with answers. But bear with us, and we will with you and see if we cannot work together.

We need to work more closely together in the future, and we need to speak to the same concerns so that the message gets across.

We share the burdens of the policymaking process. We share those burdens not only for ourselves, but for the nation and its future. And believe me I want to see this great country of ours have an even better future than it has had in its past. And I think that we can do it and that we can gain from it. But knowing the problems that we face, all I have to say it it is going to take a lot of doing and we are going to have to make up our mind to use the best talent that is available.

*Do not Disturb*  
**PRESS REQUEST**

**DATE** 7/29/77

**TIME**

**NAME** Beverly Saunders

**TEL. NO.** 523-9539

**REPRESENTING** Labor Dept.

(also Mr. Wood - 523-9539)

**REQUEST**

Call when speech on statistics has been edited.

Try to get to her Monday.

**DEADLINE**

**DATE REQUEST COMPLETED**

**SENATOR HUMPHREY**

\_\_\_\_\_**YES**

\_\_\_\_\_**NO**

U.S. DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS

WASHINGTON, D.C. 20212



July 8, 1977

Ms. Betty South  
Office of Senator  
Hubert H. Humphrey  
Room 2113  
Senate Office Building  
Washington, D.C. 20510

Dear Ms. South:

In accordance with our telephone conversation of July 7, I am sending for your review, a copy of the transcription of Senator Humphrey's keynote speech at the North American Conference on Labor Statistics, June 13, in Minneapolis. I have checked this against the tape and have done a bit of editing to make complete sentences, etc. But there are no major deletions from the taped record.

If you wish to call me regarding further changes, I can be reached on 523-9539. Thank you for your help in reviewing the Senator's presentation so that we can include it in the published conference papers.

Sincerely,

A handwritten signature in cursive script that reads "James R. Wood".

JAMES R. WOOD  
Executive Director  
North American Conference  
on Labor Statistics

Enclosure

## Keynote Address

Senator Humbert H. Humphrey  
North American Conference on Labor Statistics  
June 13, 1977

I always have a good time when Dr. Shiskin is around. He does a marvelous job for us and I am going to have a little something to say about him.

Let me quickly ~~say~~ thank you for the privilege you have accorded me this morning of sharing this time with you. I was in the back of the room when my friend the Lieutenant Governor of Minnesota was addressing you. And I said to myself, <sup>1</sup>there he goes stealing some of my ~~lines~~ <sup>stuff</sup> in talking about the uniformity of statistical information. <sup>11</sup> You are not suppose<sup>d</sup> to do that Governor; you're suppose to just say welcome and tell them about the ten thousand lakes in Minnesota instead of being profound and informed on all these sorts of things that are competitive with Senators who think they know something. You just have to behave a little better than this. But he is a long time personal friend and, as you know, a former member of Congress. We are very proud of him.

We are also pleased to have the Director of the Census with us today. I understand this is the only time that the Commissioner of Labor Statistics and the Director of the Census have been together on this podium, so we are making some history. That proves that we can improve the statistical information gathering when you get the two big honchos working together. We are very pleased also to have Mr. Rice,

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a highly respected gentleman<sup>a</sup>, the Regional Commissioner of the Bureau of Labor Statistics, and others<sup>and</sup>. Tom Dernburg, our Chief Economist from the Joint Economic Committee, is with us.

Now, I am accustomed to addressing audiences, but there are two or three audiences that terrify me. One is an audience in which members of my family are present. I do not like that because I always get a critical analysis immediately after the speech. Another one is in the old home town, when you go back where you went to high school and they look you all over, you know, and that just sort of terrifies you. And the third audience that ~~scares~~<sup>concerns</sup> me is when it is filled up with people who are statisticians and economists. You are a special breed. I do not know whether I stand ~~in~~<sup>in</sup> awe or trepidation or what it is, but something comes over me. So if I do not do too well this morning, it is due to several factors, some of which I have not even mentioned, ~~one~~ including the fact that I was out with some of my neighbors last night, ~~and~~ you know what that means ~~that~~<sup>-- that</sup> you should accept no speaking engagements until Tuesday.

But truly, in all seriousness, we are happy that you are here and it is so good that you have come together at this time, ~~on your~~<sup>The</sup> information that you provide is so vital to the decisions of Government.

When you have been involved in policymaking and this legislative business as long as I have, you begin to learn the value and the importance of timely, ~~and I underscore the word first, and of accurate~~ and ~~the, Governor, of~~ uniform statistics. Without such information, public policymaking is no more than a guessing game ~~(-)~~ guessing what is

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going on, hopeful that you are right, based upon one's personal observations, intuitions and all too often prejudice. We cannot afford that kind of gamesmanship. You not only provide us with data, you provide data upon which major decisions of the Government are predicated.

While the Canadian and United States national statistical systems are generally regarded as some of the best in the world, if not the best, our system, as you would be the first to recognize, is far from what it can and should be. There is a constant need of modernization, upgrading, improving, seasonally adjusting these things--you know Dr. Shiskin--trying to make them more accurate. I have been looking, for the purpose of this meeting, at the organizational structure of our system and I have to tell you that it still remains highly fragmented. Its advocacy is sometimes weak, and its funding is grossly inadequate.

When I came in this hall I was mentioning to Dr. Shiskin that I had to get back ~~to the Senate~~. He said he had been worried whether or not I would even make it here today. I noted that the only bill docketed this afternoon was the authorization for the Energy Research and Development Administration. He said "Good! I was worried that it might be the appropriation for BLS." He relaxed immediately.

As I look<sup>ed</sup> over the structural organization and made a very brief examination, I ~~find~~<sup>and</sup> that if you deal with our Federal statistical system today it consists of 108 separate agencies collecting economic data. Now that is just at the Federal level. Many of you are at the State level. ~~9~~ most of you, as a matter of fact. And, of course, the



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information that we deal with at the Federal level climbs its way up from where you collect it at the State and local level. And, therefore, there is ~~such~~ a definite need for the improvement of our professionalism at all levels of the statistical gathering area. In many cases:

- More than one agency at the Federal level collects data pertaining to a particular agency. ~~duplication I am sure.~~  
That is not all bad, because duplication implies a check on one against another;
- In other cases quality of data produced by different agencies often varies widely;
- Too much data collected still suffers seriously in terms of comparability and compatibility; and,
- In many instances, the system fails to capture and present data needed by policymakers in addressing crucial national and subnational problems and opportunities.

As I have indicated and you are so well aware, tens of billions of dollars are now disbursed and allocated each year by Federal, State and local governments based upon such data and statistical measurements. Therefore, it is more important than ever that the latest and most accurate data possible are available and used. Without it, the difficult formula decisions that are made in Congress cannot be fully carried out.

I think also that Congress needs to understand this more clearly so that the data gathering systems, the informational systems, are properly funded and staffed. We pass laws in which we have the most

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complex and intricate formula for the allocation of Federal funds down to State and local levels, and, likewise, State governments do the same. But sometimes we starve the very people and instrumentalities for the gathering of this information by inadequate funding, ~~on a timely and accurate basis.~~

Now those of you in this audience, of course, are particularly familiar with the system as it relates to labor statistics, including the problems ~~we all share in this area~~ with respect to defining and reporting employment and unemployment statistics. Then too <sup>in days of you are dealing with</sup> ~~add to that~~ the cost of living, and Consumer Price Index, especially within our Nation's center cities, rural areas and individual sectors of the economy. And I mention these three <sup>IN</sup> ~~particular~~ <sup>!</sup> ~~for~~ central cities, our rural areas and individual sectors because those are all special problem areas. It is very difficult to get the accurate information you need out of some of ~~the~~ the central cities, the old cities where many of our unemployment and social problems exist. There is too little really good outreach into the rural areas; too little timely information about what's going on in rural America where ~~the~~ real poverty exists <sup>for</sup> ~~for~~ example, where underemployment is characteristic of the economy, where very inadequate information is available in terms of housing and many of the public services that are required.

I am the author of the National ~~Development~~ <sup>Rural</sup> Development Act. I watched its slow implementation and believe me it has been very slow. And <sup>then we</sup> hopefully ~~you~~ will ~~make~~ a little more determined effort, ~~in it~~. But much

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of America today is rural not urban, even though we concentrate upon urban poverty because that is where the daily newspapers are, that is where the television <sup>cameras</sup> are, and it is hard to get a reporter any further away than the last pub that he can reach. When you start going into the rural areas it is like you want to the moon. Believe me I know of what I speak. Much of the information that the general public gets is related, of course, to those presentations that are made in ~~some of our leading newspapers and Times~~ <sup>New York</sup> The New York, the <sup>and</sup> Los Angeles Times, some of the great metropolitan dailies in <sup>Los Angeles,</sup> Chicago, Philadelphia, Baltimore and Washington, but they know very little about rural America and care less. And yet in rural America stands some of the most important and most critically important ~~social~~ <sup>social</sup> economic problems that face this country.

And then we have individual sectors of our economy that are glossed over all too often at least in the public presentation of information. I do not say that the information is not there, but it loses its sense of attractiveness or its sense of importance when its all bunched together. On the problem of structural unemployment today, for example-- youth unemployment <sup>is that</sup> we know the statistics but we do not know the answers and we have to do a better job.

As Dr. Shiskin knows, having appeared before the Joint Economic Committee so frequently as he has mentioned, he and his associates at the Bureau of Labor Statistics have our utmost confidence and support regarding their continuing efforts to improve the quality and maintain the integrity of the BLS operation. He also knows <sup>of</sup> despite some of

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our tough questioning <sup>that</sup> that we recognize the BLS as being among the best of the statistical operations with the Federal system.

Dr. Shiskin, to put it bluntly and frankly, and candidly, is an outstanding public servant. And those of us that work with him are very proud of him and feel that he has fulfilled his duties with a high degree of honor and ability. Both his professional talents and his personal integrity have been tested during his tenure as Commissioner. We all owe him a debt of gratitude for his many accomplishments, not the least of which has been his objectivity. Believe me I speak now for every member of the Joint Economic Committee, ~~because I polled everyone then~~. Some of us have written to the President about this good man. We think he has done a first-class job and I think you ought to let him know about it right now.

Continued improvements in the quality of BLS statistical measurements and data are expected in the future, as I am sure you will hear from Commissioner Shiskin and others.

Contributing to such improvements, hopefully, will be:

-- The work yet to be undertaken by the National Commission on Employment and Unemployment Statistics, authorized by recent public law:

-- A study now underway which I requested the General Accounting Office to undertake relating to needed improvements in our overall Federal statistical system. There is a comprehensive study now in the making; and then

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-- The long-range program for Federal statistics now under public review, and prepared by the Statistical Policy Division of the Office of Management and Budget.

In addition to all of these efforts, I want to discuss with you for a moment another related effort, which the Joint Economic Committee, under the leadership of Chairman Bolling in the House and ~~myself~~, hopes to launch soon, if approved by the Congress.

The JEC plans to conduct a major investigation of the underlying changes and trends occurring within our national and ~~the~~ world economy. This is no quicky. This will take at least 2-3 years to really do it and do it right. It requires the kind of analysis that was made one time under the leadership of the late Senator from Wyoming, Joseph O'Mahoney, by the Temporary National Economic Committee. We need that in-depth analysis of this economy of ours because so much ~~had~~ happened - it ~~had~~ changed so dramatically and drastically. The Committee, through this inquiry, hopes to help identify some of the significant factors, conditions, and emerging events and changes that are occurring or likely to occur that might affect the future growth and development of the Nation.

We hope to help illuminate the crucial structural changes occurring in our economy and their implications for public policy. The principal areas of the investigation--this does not include all of them--would be:

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- The impact of materials and commodity supply of prices in the economy ~~on~~ availability or shortages;
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- Changing patterns of industrial and corporate organization;
- International money market, trade and investment projections;
- Research, innovation and productivity; and
- The economic consequences of wars, natural disasters and other disruptions.

As I have said before, we will undertake these investigations in a manner that we hope will show their significance for public policy-making. We believe that such studies and analyses are needed by Congressional policymakers to understand the cross impacts and strategic implications of these emerging trends and changes.

Public policymakers seldom are provided with the perspective they need to place important events and changes in a framework in which they can see and understand the "whole" picture as well as the "parts."

Now I might say that with all of the information that we have available we are not prone to use too much. There is a lack of understanding in the Congress itself about looking to the future. And why? Because every boy and girl of this country is brought up with the idea

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that Government should not plan. It is subconscious, and what you are trying to do is remember the yesterdays and hopefully come to grips with the present and let God take care of the future. That is about what it boils down to. I have been amazed in my years in Congress how little attention is paid to what might be coming, and we are ~~most~~ *we are* of the time playing catch up, trying to catch up with what has been, repairing the ship of State from its last or its most recent cruise rather than projecting its further movements.

If we are going to cope with these complex and interrelated problems and opportunities of the late 20th century and enter the 21st century, it is essential that we improve the capacity of Government to look ahead and think more comprehensively ~~at~~ *at* the development of policy changes. Of course, this does mean more than just statistical data gathering. It means using the data; it means planning; it means predictions; it means foresight; it means analyses; and all the things that individual departments of Government are doing, but too little of it is coordinated. ~~The Office of Management and Budget does a good deal of~~ *this work* --I grant you that and I am very ~~complimentary~~ *critical* of the OMB most of the time. Not because of the professional competence, because they are professionals, simply because they don't agree with me. I am less than objective. Most of the things I have ever wanted for the State of Minnesota the OMB writes me a letter and says it is not within the President's program. I do not think they know as much about the Presidents' program as I do. I listened to their speeches when they ran for office and I always thought I knew what was in the Presidents' programs.

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Despite the good statistics we were provided during the post war period revealing the baby boom of that era, for example, little was done to relate the significance of that change in population make-up to public policies affecting elementary, secondary and higher education demands in the years that followed. We ~~know~~<sup>knew</sup> what the facts were and the facts were gathered by the Bureau of the Budget, <sup>B</sup> but the BOB is not the social planning ~~and~~ instrumentality; it has limited responsibilities. Its main idea is to hold down spending, which I do not always agree with, particularly when they are projects which I am interested in.

We waited until most of those children were literally at the school door before we realized that there were not enough classrooms or teachers to accommodate them, and I am here to predict to you the same thing is going to happen on energy.

You ~~the~~<sup>hear the</sup> President addressing the country daily on ~~the~~<sup>real</sup> energy requirements. We have nothing but news about the energy shortage. Yet the <sup>G</sup>allup polls show that 54 percent of the American people do not even know we imported any oil. When there is so much information you can find, it ceases to be of any value. We are flooded with minutiae<sup>ial</sup>. We find out that somebody broke their toe over in Uganda and that is a news item. So you break your back in Minneapolis and nobody pays any attention. I repeat to you that there is a flood tide of nonsensical minutiae that diminishes the importance of those things that really ought to be known.



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We have waited too long and we have been playing "catch-up" ball with respect to meeting their changing needs of this post-war baby crop ever since. Even today, 25 years later, we have not seemed to learn to think ahead regarding their needs and problems.

These young people now are looking for jobs and homes for themselves and for their families. But what are many of them finding?

-- Too few jobs, despite the good education that many of them finally managed to obtain. We kept right on training teachers. There are literally hundreds of thousands of college graduates out there that are trained teachers, but nobody to teach. We apparently could not turn off the spigot.

-- All too often, too little hope, despite the promises of several generations of political leaders serving them.

Thirty-five million more of these young people have been looking for their first job in this decade than were looking in the 1960's. And, they now are competing with millions of older women who are entering the labor force for the first time. We discussed this ad infinitum in the Joint Economic Committee. ~~People keep saying "Look!"~~ I have heard Dr. Shiskin point out how the labor force is growing, and how the number of people employed is growing month by month--a tremendous growth--and yet there is a high rate of unemployment because of the change in the structure of the labor force <sup>by</sup> the new entrants. Millions of these young people are trying to establish new households with few options available to buy or even rent decent shelter within their limited income and resources.

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And let's not lose sight of the sharp decline in births in the United States and the birth rate ~~since 1965~~ *during the last two decades*. This is a complete 180 degree turn. What does this mean for the American economy? What does this mean for the labor market? What does this mean for the housing market? What does this mean for consumer goods? What does this mean for governmental decisions as it relates to the needs of the elderly in this country? Our population is growing older. For a period of time we will grow substantially older. *There are* larger numbers of people that will be the beneficiaries under current law of Social Security and all *such as* the other acts--the Older Americans Act, ~~and so forth.~~

We have been wrestling with the changing demands of the post-war baby boom group these past 25 years. But the decline in births since the mid-1950's has been creating another new set of problems today, such as surplus classrooms and teachers. By 1985, there will be further serious problems, such as tight labor markets, and possibly an over-expansion of our housing stock. And it can change *dramatically* ~~almost overnight~~ within a 10-15 year period.

Our Nation's policymakers, therefore, not only need good data and statistical measurements, they also need to have such information presented to them in a way that makes its significance for national, sub-national or international policy clear; especially as it relates to the future. It is in this area that we desperately need to have your help and talents and your techniques applied. And, of course, we believe that you can do it.

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Let me again say, as I was mentioning a moment ago, sometimes those of us in policymaking, and I am sure you as professionals must despair, do not reach a decision. And I go back again to ~~the~~ energy-- what we call the energy crisis. The people do not believe that there is a crisis. There is no such thing when you see the automobile companies closing up the plants for the production of small cars; when you see the American population buying bigger and bigger cars and using more and more gas. As a matter of fact, the consumption of gasoline has gone up on a per capita basis since the President addressed the Nation on the energy crisis. They are going to get the last ride.

We almost came to an energy program back in 1973--almost--but the ~~Arab and~~ OPEC leaders that were educated in the United States knew the American public better than we gave them credit for. They were educated in our best schools and they knew that if they kept that embargo on another six months we would do something about it. So they just touched us up enough just to let us know that what they could do to us to show us that they could jack up that price and that they could turn off the spigot. And when it looked like we might get busy and start some planning and get at it, they said whoops. Those boys have been educated at Harvard, Cal, Tech and other places, they said, "Hold on their catching on. Turn on the oil again, we are not going to let this thing go because there is a lot to be made out of this for a while. We can catch them later on at another time around." I am sure that is what they tell them. I am as positive as my name is Hubert Humphrey.

The American people, I have often said, have a physiological sense of public policy--empty stomach, full head; full stomach, empty head.

Let's take a look at our agricultural situation out ~~there~~<sup>here</sup> right now. Last year right in this ~~state~~ farmers piled up every piece of land they could get their hands on to put wheat into production. Why? Because wheat was \$4 a bushel. Instead of producing soybeans, which they had a good market for all the time--this is a soybean producing and corn producing ~~state~~--they cut down on the production of soybeans and went into wheat. Now we have a billion two hundred million bushels of wheat in surplus, we will have a billion eight hundred million bushels by the end of this crop year. The price of wheat is down <sup>to</sup> \$1.85 and now they say <sup>you</sup> know maybe we ought to do something. "

Ladies and gentlemen, until some~~th~~<sup>ow</sup> or another we are able to take statistical evidence that you are able to generate on both short-run and long-term projections and put it into some kind of public policy-making institutionalization, statistics are going to be just like rain drops, they are just there, and when they hit the soil they will either be absorbed or they will fade away. I have ~~so~~<sup>seen</sup> believed this ~~so long~~<sup>long</sup>.

We have got to do more than just gather information. Because information is but a tool for judgment and unless we have the judgmental capacity, and unless we have the institutionalization for the utilization of statistical information, both short-term and long-term, we get very little out of it.

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Now let me give you an example. In January of 1975, and then again in January of this year, the Minnesota State Planning Agency, in cooperation with the Commission on Minnesota's Future, presented to a joint session of the ~~State~~ Legislature its analysis of ~~state~~ demographic, social, and economic trends -- past, present and likely future.

They gave the legislators in joint session--not just some little subcommittee or committee, but the whole legislature--something they had never had before -- an informed perspective within which they could relate the policy work of their committees and ~~of~~ their respective houses ~~to~~ the legislature to the bigger ~~immediate and long term~~ picture. Wouldn't it be wonderful if the Congress of the United States would sit down long enough to listen as a body with ~~all the members of the House and Senate~~ for one week's period of time to the statistical information that we have on social <sup>and</sup> economic matters that ~~infect~~ <sup>affect</sup> our economy ~~or~~ <sup>or</sup> affect it, the projections for the future, as well as indications on the present to get an indoctrination of where we are going.

Dear friends, I speak with great conviction about this because I am a hard working legislator. I would not work as hard as I do for any private employer, <sup>would</sup> unless I <sup>would</sup> sue you for slavery and inhuman treatment. ~~And believe me I would not.~~ You give up your life for this business, and yet I have been there all these many years and I know so little about where this country is going ~~except~~ <sup>there is</sup> unless ~~it~~ <sup>becomes</sup> a crisis. I have ~~a little~~ <sup>some</sup> idea ~~now~~ today about energy. But I venture to say that if I went to the most informed part of our legislature and said what will be

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the housing needs for certain income groups ~~of this economy~~ for the next 10 years, they would look at <sup>me</sup>you with a blank stare, ~~and say how~~ about going out and <sup>high</sup>have a beer. They wouldn't know! What are going to be the needs <sup>of</sup> critical metals? Where are we going to get them?

What is going to be happening in terms of the projections of consumer

demand? <sup>?</sup>or consumer, well you might say, fancy? What is going to be the ~~need for~~ transportation system?

Taking a look at what has happened right here. One of the big problems in the United States today is bridges. We built interstate highway systems all over the United States, but we forgot that you have to have feeder systems. Everybody cannot use the interstate highway system. In the State of Minnesota we have four and six ton bridges and we have eight and ten ton trucks and it is that way all over the United States. Thousands of bridges today are bottlenecks for our transportation system. ~~Transportation~~ Transportation is a high-cost item in the Consumer Price Index. The transportation costs add a very substantial degree to the cost ~~element~~ <sup>of</sup> the product and transportation costs reduce the margin the producer has. I know of one cooperative in this State that in order to get to the Twin Cities market has to bring its milk 167 extra miles, <sup>Drives</sup> because it cannot cross the bridges that would be going the most convenient <sup>and shortest routes</sup> ~~and short lines~~ into the city. That means the use of energy, and ~~means~~ the use of heavy equipment, ~~it~~ increases the cost of the delivery of that product. But no one ever took a look ahead. If they did no one ever found out about it and now we are helter

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skelter trying to fix up a little bridge here and there. That is just the most simple little thing that we are talking about. ~~When~~ <sup>from</sup> we converted ~~to~~ <sup>to</sup> streetcars and buses, ~~and we did it by the way~~ in the 50's after the Paley Commission report that predicted the energy crisis in the 70's. We did not take a look at whether or not there would be adequate fuel for the buses. We did not take a look at pollution, even though we knew in the 50's a good deal about the environment. All the reports were there. We filed away enough reports to fill three Libraries of Congress. We had studies on the environment in the 50's and 60's. We did not have to wait until the 70's to wake up to the fact that you should choke to death in smog. The British Government had made studies on the environment simply because they had to. But we paid no attention to them.)

Now I know that I ~~sound~~ <sup>sound</sup> like a harping critic and a sort of an angry citizen, ~~frustrated~~ <sup>frustrated</sup>, and I am <sup>frustrated</sup> to be frank about it. Because I do not know how you awaken the public to these things and I am a communicator and an educator. I guess one of the reasons I am here is because I feel so strongly about what I am saying to you. We have in the American psychic make-up, primarily because of, I think, the captains of industry and finance, a bitter resentment towards any kind of governmental planning or foresight. And then when we do not plan we get criticized because we don't do it. The last time we had a planning agency in this government was <sup>at</sup> ~~the time that~~ <sup>at</sup> Franklin Roosevelt with the Financial Resources Planning Board. That is the last one. The only thing we

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have today that is even close to it is the Office of Management and Budget and I do not even know who those fellows are except for Burt Lance. I am suspicious of anyone that has a passion for anonymity. I am even suspicious of some people with passions. And I sure am suspicious of anybody that wants to be anonymous. Well, enough of that. *Those are just*  
~~That was just~~ some of my little prejudices.

In the State of Minnesota as a result, as I said, we were able to take a look at ~~this~~ *our* condition ~~in our~~ *through the* State Planning Agency meetings with our legislature ~~of~~ *on* the future needs in areas such as housing, education, energy, criminal justice, transportation and in jobs. I do not say it is a remedy. I do not say that it answers our problems, but *it* gives us some sense of perspective.

And ~~this~~ *through* this vital additional function, ~~that~~ the Joint Economic Committee feels it might help serve within the Congress. We feel we can help the standing committees of the Congress to better understand how basic changes and events in the economy may be affecting their respective policy work and areas of legislative jurisdiction. We want to provide a better framework for national decisions -- one that reflects the real conditions, present and future, in our Nation and the world. ~~If we do this at the Congressional level with the CBO (Congressional Budget Office) with the JEC, we need not only the Office of Management and Budget at the executive level, but we need some kind of planning or long-term foresight instrumentality within the executive branch.~~



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Recent changes in both House and Senate rules ~~fortunately~~ require standing committees to give attention to "foresight" and to conduct studies on future developments and requirements. To carry out this task, committees will need more timely, accurate and uniform statistical measurements.

They will need the help of the statistical and economic professions to provide them with good trend data, projections and forecasts, designed to identify problems before we are overwhelmed by them. I guess that old slogan "You either design your future or resign yourself to it" is more pertinent today than ever before.

The statistical profession has a crucial role to play and more attention to it is needed. I hope our Joint Economic Committee can help focus this attention in the future.

In many socio-economic areas you are the wizards of the 20th century. Your electronic "crystal balls," with all of their limitations, are vast improvements over what has been available in the past.

I know that occasionally you get frustrated, as I indicated I am this morning, and you feel that most of us in Congress have more questions than anybody can possibly provide with answers. But bear with us, and we <sup>will</sup> with you and see if we cannot work together.

We need to work more closely together in the future, and we need to speak, ~~so to speak~~ <sup>to</sup> the same concerns so that the message gets across.

We share the burdens of the policymaking process. ~~We~~ share those burdens not only for ourselves, but for the Nation and its future. And

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believe me I want to see this great country of ours have an even better future than it has had in its past. And I think that we can do it and that we can gain <sup>from</sup> it. But knowing the problems that we face, all I have to say is it is going to take a lot of doing and we are going to have to make up <sup>our</sup> mind to use the best talent that is available.

Thank you very, very much.



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