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THE FULL EMPLOYMENT BILL OF 1945 --

- (1) Establishes as a national policy the promotion of free enterprise and the maintenance of continuing full employment;
- (2) Defines the responsibility of the President with respect to carrying out this policy; and
- (3) Defines the responsibility of Congress for making decisions on the carrying out of this policy.

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(1) A national policy to promote free enterprise and to maintain continuing full employment.

The Bill explicitly asserts that it is Government policy to foster

- free competitive enterprise,
- investment of private capital (sec. 2a)

The Bill explicitly asserts the right to work, and defines this right as opportunity for "useful, remunerative, regular, and full-time" employment. It then defines government policy with respect to this right: to assure at all times employment opportunities for all who

- are able to work,
- are seeking work,
- have finished their schooling
- do not have full-time housekeeping responsibilities. (sec. 2b)

The Bill explicitly recognizes that continuing full employment is a fundamental prerequisite for achieving the policies asserted above, and for

- protection of the home,
- a rising standard of living,
- jobs for returning servicemen,
- full utilization of national resources, and
- maintenance of national security, world peace, and expanding trade between nations. (sec. 2c)

To achieve these goals, the government is to provide

- a "consistent" and coordinated program to encourage the highest possible levels of employment opportunities to be reached through non-Federal activity, (sec. 2d) and
- as a last resort, if needed, Federal expenditures to maintain employment. Such expenditures must contribute to the national wealth and well-being, and must stimulate private enterprise to provide increased employment opportunities. (sec. 2e,f)

(2) The responsibility of the President in carrying out this policy.

The President must prepare and transmit to Congress an annual message, comprising (a) economic goals, (b) an inventory of current economic trends, and (c) recommendations for legislative action.

- (a) Economic goals. The President will set forth the economic goal necessary to achieve full employment in a "National Production and Employment Budget," covering the approaching fiscal year or any longer period the President deems appropriate. The goal will be stated

in terms of

- estimates of the number of people for whom job opportunities must be provided, including those self-employed in industry and agriculture; (sec. 3a, 1)
 - the total national output that will be necessary to provide employment opportunities for this labor force; this output is called the full employment volume of production; (sec. 3a, 2) and
 - the total expenditures for investment and consumption required to purchase this volume of output. This total is broken down in conventional economic terms, into expenditures by individual firms, consumers, and governments, local, state and Federal. (sec. 3a, 2)
- (b) The inventory of current economic trends. The President will appraise the current economic situation to see whether the prospective level of economic activity is likely to result in the full employment volume of production. (sec. 3a, 3)
- (c) The recommendations for legislative action. If it appears that the prospective level of economic activity will be too low to achieve a full employment volume of production, the President shall suggest measures for achieving this goal. These measures shall (sec. 3b)
- draw upon the whole tool-kit of Federal policies, such as legislation on banking and currency, wages and working conditions, foreign trade and investments, agriculture, taxation, social security, and development of national resources; (sec. 3b)
 - encourage and stimulate non-Federal expenditures by business, consumers, and state and local governments to promote increased employment opportunities by private enterprise; (sec. 3b)
 - include direct Federal expenditures only if the measures suggested to stimulate non-Federal expenditures are insufficient to provide a full employment volume of production. (sec. 3c) These expenditures should be designed to contribute to the national wealth and well-being and to stimulate private enterprise. They need not be limited to public works. But when construction is called for, it must be done by contract with private concerns.

If it appears that the general level of economic activity will be higher than that necessary to achieve full employment, the President shall suggest measures for

- "preventing inflationary economic dislocations;"
- bringing total spending and investment down to the required level; or
- both, (sec. 3d)

In any event, the President's recommendations shall include

- appropriate measures for preventing monopolistic practices from interfering with the purposes of the bill (sec. 3d); and
- an evaluation of the effect of the recommendations on the distribution of the national income, together with a report on the distribution of the national income in the preceding year. (sec. 3f)

The preparation of the President's message. The message is to be prepared in the Executive Office of the President, with consultation at all stages with Cabinet members and department heads, and with advisory boards representing industry, agriculture, labor and state and local governments. (sec. 4)

Other responsibilities of the President in carrying out this policy include

- quarterly review of the volume of Federal investment and expenditure to ascertain if any change is warranted. (sec. 6a)
- changing the rate of Federal expenditure, subject to the provisions of appropriation acts and other statutes, as necessary to assure continuing full employment, (sec. 6b)

(3) The responsibility of Congress for making decisions on the carrying out of this policy

(a) Comprehensive committee analysis of the President's message. The President's message will be studied as a whole by a Joint Committee composed of representatives from important standing committees of both Houses, and reflecting relative party strength. (sec. 5a, b1)

On or before March 1 of each year, the Committee will report to each House of Congress a Joint Resolution setting forth for the coming period

- specific national goals on the level of employment and economic activity, and
- the national policies needed to meet the employment and production goals.

(b) Comprehensive legislative debate. The Joint Resolution, when brought to the floor of each House each year, will

- provide the basis for an annual debate on national economic policy, and
- focus attention on all related means of achieving the objectives of the Bill.

(c) Congressional decision. As finally agreed to, the Joint Resolution will provide a general policy framework to serve as a guide for the Congress and its individual committees in the development of all the specific programs required to promote free enterprise and maintain continuing full employment. Such programs and appropriations for them must be authorized by provisions of law other than the Full Employment Act. (sec. 8d)

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What the Bill does not do.

The Bill does not authorize the operation of plants, factories, or other Federal facilities by the Federal government. (sec. 8a)

The Bill does not guarantee specific jobs to specific workers.

The Bill does not authorize compulsory assignment of workers to jobs. (sec. 8b)

The Bill does not authorize changes in existing procedures on appropriations. (sec. 8c)

The Bill does not provide government guarantees of individual markets or profits.

The Bill does not authorize government determination of prices, wages, or output.

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