July 5, 1935, ch. 372, 49 Stat. 449, as amended which is classified generally to subchapter II ( $\S$ 151 et seq.) of chapter 7 of Title 29, Labor. For complete classification of this Act to the Code, see section 167 of Title 29 and Tables.

Act of June 25, 1938, as amended, known as the Fair Labor Standards Act, referred to in text, is classified generally to chapter 8 (§201 et seq.) of Title 29. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

Act of June 5, 1920, known as the Merchant Marine Act, 1920, referred to in text, is ch. 250, 41 Stat. 988, which was classified principally to chapter 24 (§861 et seq.) of former Title 46, Shipping, which became chapter 24 of the former Appendix to Title 46. The Act was substantially repealed and the provisions thereof restated in Title 46, Shipping, by Pub. L. 98-89, Aug. 26, 1983, 97 Stat. 500, and Pub. L. 109-304, Oct. 6, 2006, 120 Stat. 1485. Section 29 of the Act was transferred and is now classified to section 38 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Tables. For disposition of sections of former Title 46 and of the former Appendix to Title 46, see Disposition Table preceding section 101 of Title 46.

# § 1015. "State" defined

As used in this chapter, the term "State" includes the several States, Alaska, Hawaii, Puerto Rico, Guam, and the District of Columbia.

(Mar. 9, 1945, ch. 20, §5, 59 Stat. 34; Aug. 1, 1956, ch. 852, §4, 70 Stat. 908.)

#### **Editorial Notes**

## AMENDMENTS

 $1956\mathrm{-Act}$  Aug. 1, 1956, included "Guam" in definition of State.

#### **Executive Documents**

Admission of Alaska and Hawaii to Statehood

Alaska was admitted into the Union on Jan. 3, 1959, on issuance of Proc. No. 3269, Jan. 3, 1959, 24 F.R. 81, 73 Stat. c16, and Hawaii was admitted into the Union on Aug. 21, 1959, on issuance of Proc. No. 3309, Aug. 21, 1959, 24 F.R. 6868, 73 Stat. c74. For Alaska Statehood Law, see Pub. L. 85–508, July 7, 1958, 72 Stat. 339, set out as a note preceding section 21 of Title 48, Territories and Insular Possessions. For Hawaii Statehood Law, see Pub. L. 86–3, Mar. 18, 1959, 73 Stat. 4, set out as a note preceding section 491 of Title 48.

# CHAPTER 21—NATIONAL POLICY ON EMPLOYMENT AND PRODUCTIVITY

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1022d

## § 1021. Congressional declarations

#### (a) Generally

The Congress declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means, consistent with its needs and obligations and other essential national policies, and with the assistance and cooperation of both small and larger businesses, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions which promote useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and promote full employment and production, increased real income, balanced growth, a balanced Federal budget, adequate productivity growth, proper attention to national priorities, achievement of an improved trade balance through increased exports and improvement in the international competitiveness of agriculture, business, and industry, and reasonable price stability as provided in section 1022b(b) of this title.

# (b) Full opportunities for employment

The Congress further declares and establishes as a national goal the fulfillment of the right to full opportunities for useful paid employment at fair rates of compensation of all individuals able, willing, and seeking to work.

## (c) Inflation

The Congress further declares that inflation is a major national problem requiring improved government policies relating to food, energy, improved and coordinated fiscal and monetary management, the reform of outmoded rules and regulations of the Federal Government, the correction of structural defects in the economy that prevent or seriously impede competition in private markets, and other measures to reduce the rate of inflation.

# (d) Coordination of Federal policies and programs

The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.] to improve the coordination and integration of the policies and programs of the Federal Government toward achievement of the objectives of such Act through better management, increased efficiency, and attention to long-range as well as short-range problems and to balancing the Federal budget.

## (e) Federal controls

The Congress further declares that, although it is the purpose under the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.] to seek diligently and to encourage the voluntary cooperation of the private sector in helping to achieve the objectives of such Act, no provisions of such Act or this chapter shall be used, with respect to any portion of the private sector of the economy, to provide for Federal Government control of production, employment, allocation of resources, or wages and prices, ex-

cept to the extent authorized under other Federal laws.

# (f) Expansion of private employment

The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.] to maximize and place primary emphasis upon the expansion of private employment, and all programs and policies under such Act shall be in accord with such purpose. Toward this end, the effort to expand jobs to the full employment level shall be in this order of priority to the extent consistent with balanced growth—

- (1) expansion of conventional private jobs through improved use of general economic and structural policies, including measures to encourage private sector investment and capital formation:
- (2) expansion of private employment through Federal assistance in connection with the priority programs in such Act;
- (3) expansion of public employment other than through the provisions of section 206 of such Act [15 U.S.C. 3116]; and
- (4) when recommended by the President under section 206 of such Act [15 U.S.C. 3116] and subject to the limitations in such section, the creation of employment through the methods set forth in such section.

# (g) Trade deficits

The Congress further declares that trade deficits are a major national problem requiring a strong national export policy including improved Government policies relating to the promotion, facilitation, and financing of commercial and agricultural exports, Government policies designed to reduce foreign barriers to exports through international negotiation and agreement, Federal support for research, development, and diffusion of new technologies to promote innovation in agriculture, business, and industry, the elimination or modification of Government rules or regulations that burden or disadvantage exports and the national and international competitiveness of agriculture, business, and industry, the reexamination of antitrust laws and policies when necessary to enable agriculture, business, and industry to meet foreign competition in the United States and abroad, and the achievement of a free and fair international trading system and a sound and stable international monetary order.

# (h) Balanced Federal budget

The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.] to achieve a balanced Federal budget consistent with the achievement of the medium-term goals specified in section 1022a of this title.

# (i) Investment needs of private enterprise

The Congress further declares that it is the continuing policy and responsibility of the Federal Government, in cooperation with State and local governments, to use all practical means consistent with other essential considerations of national policy to provide sufficient incentives to assure meeting the investment needs of private enterprise, including the needs of small and

medium sized businesses, in order to increase the production of goods, the provision of services, employment, the opportunity for profit, the payment of taxes, and to reduce and control inflation. To the extent it is reasonably possible to do so, private enterprise investments in depressed urban and rural areas should be promoted to reduce the high levels of unemployment that exist there.

## (j) Reliance on private sector

The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.] to rely principally on the private sector for expansion of economic activity and creation of new jobs for a growing labor force. Toward this end, it is the purpose of this chapter to encourage the adoption of fiscal policies that would establish the share of the gross national product accounted for by Federal outlays at the lowest level consistent with national needs and priorities

(Feb. 20, 1946, ch. 33,  $\S$ 2, 60 Stat. 23; Pub. L. 95–523, title I,  $\S$ 102, Oct. 27, 1978, 92 Stat. 1890.)

#### **Editorial Notes**

#### References in Text

The Full Employment and Balanced Growth Act of 1978, referred to in subsecs. (d), (e), (f), (h), and (j), is Pub. L. 95-523, Oct. 27, 1978, 92 Stat. 1887, as amended, which is classified principally to chapter 58 (§3101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

## AMENDMENTS

1978—Pub. L. 95–523 designated existing provisions as subsec. (a), inserted provisions relating to promotion of balanced growth, a balanced Federal budget, adequate productivity growth, proper attention to national priorities, improvement in trade balance, and reasonable price stability, and added subsecs. (b) to (j).

## Statutory Notes and Related Subsidiaries

# SHORT TITLE

Act Feb. 20, 1946, ch. 33, §1, 60 Stat. 23, provided: "This Act [enacting this chapter] may be cited as the 'Employment Act of 1946'."

# STATEMENT OF PURPOSE

Pub. L. 95–523, title I, §101, Oct. 27, 1978, 92 Stat. 1890, provided that: "It is the purpose of this title [enacting sections 1022a to 1022f of this title, amending sections 1021, 1022 and 1023 of this title and section 225a of Title 12, Banks and Banking, and enacting provisions set out as a note under section 225a of Title 12]—

- "(1) to declare the general policies of this Act [see Short Title note under section 3101 of this title];
- "(2) to provide an open process under which economic goals and policies are proposed, reviewed, and established:
- "(3) to provide for yearly review of national economic policies to ensure their consistency with these goals to the maximum extent possible; and
- "(4) to strengthen and supplement the purposes and policies of the Employment Act of 1946 [this chapter]."

# § 1022. Economic Report of President; coverage; supplementary reports; reference to Congressional joint committee; percentage rate of unemployment; definitions

## (a) Time of submission; contents

The President shall annually transmit to the Congress not later than 10 days after the submission of the budget under section 1105(a) of title 31, with copies transmitted to the Governor of each State and to other appropriate State and local officials, an economic report (hereinafter in this chapter referred to as the "Economic Report") together with the annual report of the Council of Economic Advisers submitted in accord with section 1023(c) of this title, setting forth—

(1) the current and foreseeable trends in the levels of employment, unemployment, production, capital formation, real income, Federal budget outlays and receipts, productivity, international trade and payments, and prices, and a review and analysis of recent domestic and international developments affecting economic trends in the Nation;

(2)(A) annual numerical goals for employment and unemployment, production, real income, productivity, Federal outlays as a proportion of gross national product, and prices for the calendar year in which the Economic Report is transmitted and for the following calendar year, designated as short-term goals, which shall be consistent with achieving as rapidly as feasible the goals of full employment and production, increased real income, balanced growth, fiscal policies that would establish the share of an expanding gross national product accounted for by Federal outlays at the lowest level consistent with national needs and priorities, a balanced Federal budget, adequate productivity growth, price stability, achievement of an improved trade balance, and proper attention to national priorities: and

(B) annual numerical goals as specified in subparagraph (A) for the three successive calendar years, designated as medium term goals;

(3) employment objectives for certain significant subgroups of the labor force, including youth, women, minorities, handicapped persons, veterans, and middle-aged and older persons; and

(4) a program for carrying out the policy declared in section 1021 of this title, together with such recommendations for legislation as the President may deem necessary or desirable.

# (b) Supplementary reports

The President may transmit from time to time to the Congress reports supplementary to the Economic Report, each of which shall include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the policy declared in section 1021 of this title.

# (c) Referral to joint committee

The Economic Report, and all supplementary reports transmitted under subsection (b), shall, when transmitted to Congress, be referred to the joint committee created by section 1024 of this title.

# (d) Rate of unemployment

For the purposes of the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.] the percentage rate of unemployment as <sup>1</sup> a percentage of the civilian labor force as set forth by the Bureau of Labor Statistics in the Department of Labor as computed under the procedures in effect as of October 27, 1978.

# (e) "Inflation"; "prices"; "reasonable price stability" defined

For the purpose of the Full Employment and Balanced Growth Act of 1978 [15 U.S.C. 3101 et seq.], the terms "inflation", "prices", and "reasonable price stability" refer to the rate of change or level of the consumer price index as set forth by the Bureau of Labor Statistics, United States Department of Labor.

(Feb. 20, 1946, ch. 33, §3, 60 Stat. 24; Aug. 2, 1946, ch. 753, title II, §226, 60 Stat. 838; June 18, 1956, ch. 399, §1, 70 Stat. 289; Pub. L. 95–523, title I, §103, Oct. 27, 1978, 92 Stat. 1892; Pub. L. 96–10, §6(d), May 10, 1979, 93 Stat. 24; Pub. L. 101–508, title XIII, §13112(e), Nov. 5, 1990, 104 Stat. 1388–609.)

#### **Editorial Notes**

#### References in Text

The Full Employment and Balanced Growth Act of 1978, referred to in subsecs. (d) and (e), is Pub. L. 95–523, Oct. 27, 1978, 92 Stat. 1887, as amended, which is classified principally to chapter 58 (§3101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

#### CODIFICATION

In subsec. (a), "section 1023(c) of this title" was in the original "section 11(c) of this Act", which is classified to section 1024(c) of this title. The citation has been editorially translated as indicated to reflect the probable intent of Congress because the reporting requirements appear in section 10(c) of the Act, which is classified to section 1023(c) of this title.

# AMENDMENTS

1990—Subsec. (a). Pub. L. 101–508, which directed the substitution of "annually transmit to the Congress not later than 10 days after the submission of the budget under section 1105(a) of title 31" for "transmit to the Congress during the first twenty days of each regular session" in section "103(a) of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 1022(a)", was executed to this section, section 3 of the Employment Act of 1946, as amended by that Act, to reflect the probable intent of Congress.

1979—Subsec. (a)(2)(A). Pub. L. 96–10 inserted reference to Federal outlays as a proportion of gross national product.

1978—Subsec. (a). Pub. L. 95–523, §103(a), among other changes, inserted provisions relating to the annual report of the Council of Economic Advisers and the inclusion in the President's Economic Report of annual numerical goals for employment, unemployment, production etc., and employment objectives for certain subgroups and struck out provisions relating to the review of the Federal Government's economic program and economic conditions affecting employment in the United States.

Subsecs. (d), (e). Pub. L. 95–523, 103(b), added subsecs. (d) and (e).

1956—Subsec. (a). Act June 18, 1956, substituted "not later than January 20 of each year" for "at the begin-

<sup>&</sup>lt;sup>1</sup> So in original. Probably should be "is".