

On the assumption that the present laws would continue, the President's Commission on Veterans' Benefits made the following estimates of costs in the future:

TABLE 7-1.—*Veterans' Administration budget expenditures under present laws, selected fiscal years, 1940-2000*

[In billions]

	1940	1955	1965	1975	1985	2000
Total.....	\$0.56	\$4.4	\$4.7	\$4.8	\$6.0	\$5.8
Non-service-connected pensions.....	.12	.8	1.7	2.0	3.4	3.6
Service-connected disability and death benefits.....	.33	1.9	2.0	1.8	1.6	1.2
All other.....	.11	1.7	1.0	1.0	1.0	1.0

Source: The President's Commission on Veterans' Pensions, "Veterans' Benefits in the United States," a report to the President, "Findings and Recommendations," p. 106.

The estimated numbers of veterans is as follows:

TABLE 7-2.—*Estimated total living war veterans and veterans aged 65 and over, selected dates, 1940-2000*

[Millions of veterans]

	1940	1955	1965	1975	1985	1995	2000
Total.....	4.3	21.9	21.7	18.7	14.6	9.4	6.8
Veterans under 65.....	4.2	21.2	19.4	16.6	10.1	2.3	.2
Veterans 65 and over.....	(1)	.7	2.3	2.1	4.5	7.1	6.6

¹ Negligible.

Source: Ibid., p. 70.

The Veterans' Administration estimated that the per capita cost of public income maintenance rose from \$19 in 1940 to \$83 in 1955, and would rise to \$132 in 1965, \$144 in 1975, and \$156 in 1985 (the last three estimated). Veterans' costs would rise from roughly one-fifth of the total, that is, \$16 out of the total of \$83 in 1955 to 24 percent in 1975, \$34 out of \$144, and to 27 percent by 1985, \$42 out of \$156. The assumption is the continuance of present legislation.⁵³

In assessing the benefits to be paid to veterans, the President's Commission suggested that needs should be taken into account. Variations in the cost of living and in the income levels in different parts of the country should also be considered. The benefits should be based on the minimum needs as assistance programs are, and should in the long run be, lower than benefits paid under old age insurance. The Commission believed it was important that payments be not so large as to damage incentives.⁵⁴

The Commission was also greatly concerned that the benefits should not be put on such a level as to put an excessive burden on future generations. Of course, in modern theory each generation pays its own bill for the most part, although it is true that commitments for excessive benefit payments might impose a serious financial problem on later generations. In view of the tendency for prices and incomes per capita to rise over the years, I do not believe that present proposals

⁵³ Ibid., p. 123.

⁵⁴ Ibid., pp. 12 and 142.