ble to measure in any exact way the contribution of the program to either the magnitude or the rate of growth of the GNP. To the extent that the OASDHI program has increased worker productivity, as described in section (*b*), it has contributed to the growth of the economy.

The effect of the OASDHI program on aggregate savings is even less determinable than its effect on productivity. In this connection, a recent study, supported in part by a Social Security Administration research grant, seems to indicate that contributors to private pension plans (essentially all of whom are also covered by OASDHI) save more at each income level than those who are not contributors.[5] To what extent OASDHI alone has a similar effect is not known. The experience of Western Europe, where the proportion of national income devoted to OASDHI-type programs is much higher than in the United States,[6] suggests that large spending on such programs is at least not inconsistent with rapid growth rates.

10. Economic classification of program expenditures. (See table 2.)

Program: Old-age, survivors, disability, and health insurance.
Department or agency, and office or bureau: Department of Health, Education, and Welfare; Social Security Administration.

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*

[In millions of dollars]

Federal Government: [1]	
Purchases of goods and services:	
Wages and salaries	[2] 314
Other	68
Transfer payments to individuals (benefit payments)	16, 618
Total Federal expenditures	17, 000

[1] Amounts shown are for benefit payments and for administrative expenses for the Social Security Administration salaries and expenses and construction appropriations and administrative costs incurred by the Office of the Secretary, DHEW, and by the Treasury Department that are charged to the trust funds.
[2] Includes administrative costs for wages and salary and other amounting to $3 million incurred by the Office of the Secretary and $53 million incurred by the Treasury Department.

[5] George Katona, "Private Pensions and Individual Savings." Survey Research Center Institute for Social Research, the University of Michigan (Monograph 40), 1965, p. 90.
[6] "Economic Policies and Practices: European Social Security Systems" (Paper No. 7), Joint Economic Committee Print, 89th Cong., 1st sess., p. 11.