

ing a look at; and it is examining the mechanisms that we have available to do that translation. Of course, a lot of the translation involves not just prime contracts, but subcontracts.

Chairman PROXMIRE. I saw a very interesting statistic in the Wall Street Journal reporting on the Vietnam veterans, showing that after World War II 29 percent of those of us who were in World War II took advantage of the GI bill to take further education; after the Korean war 50 percent did; and they said in this war 84 percent are doing so. This is most encouraging as far as the future of the economy of the country is concerned, but it also indicates a tough challenge. You indicate that it may be in this area that we do not have the personnel or the facilities to handle some of these things. Now, you were not specific as far as the GI bill is concerned. But is this one of the areas where we should be concerned about providing a sufficient instructional personnel and facilities, and so forth?

Mr. SCHULTZE. In general, I would agree. I was specifically addressing my comments—as it is quite relevant—to the limitations. The rate at which you could increase the Federal Government's programs is very limited in some cases by the availability of trained personnel; this is particularly true in such areas as health, employment counseling, and city planning. Another area is education, where personnel skills are very important and their shortage can be a limitation on how rapidly one can increase education programs. If you look at the education picture in the United States you see that the colleges and universities are being hit very heavily by the influx of those children who 10 years ago were in elementary schools and secondary schools. You see the big enrollment problems that we had in the postwar years now being transferred from elementary and high schools to the colleges and universities. However, my comment was a more general one. Increasing Federal expenditures is not something that you should do by taking into account only purely technical factors and seeing where one might feasibly increase Federal programs from the point of view of funding availability. One should also consider the desirability from the end-use standpoint, from the social and economic values of the alternatives considered, and also from the practicability of the action with respect to the availability of the skilled personnel to do it.

Chairman PROXMIRE. Let me ask you if this is true. This is a problem as far as your educational institutions are concerned, because they are being used to their capacity now. But at the same time it is a helpful adjusted to what otherwise might be an unemployment problem. After all, if you are going to have a demobilization of 500,000 men over a period of a year and a half or 2 years, and most of them are going to be in education, then you do not have to worry quite as much about having jobs available immediately. Of course, maybe they will want jobs to supplement their GI benefits if they are married, and so on. Even so, it is much less of a problem, and it is a different kind of a problem. You have to look at the kind of jobs you need for them when they finish.

Mr. SCHULTZE. Conversely, having taken that education, the mix of the labor force will probably be better suited for the mix of the jobs available simply because of the fact of their education. That has been our experience in the past.

Chairman PROXMIRE. Thank you.