

Mr. GAINSBROUGH. Yes. In 1966, 47.1 percent of all transfer payments came out of the Federal social security system. Social welfare expenditures by all forms of government were in relative terms equivalent to 12 percent of the gross national product in the last fiscal year. This compared with 2 or 2½ percent when we entered the 20th century.

Representative CURTIS. On that I wonder how accurate our figures are. I have been on the Ways and Means Committee since 1953, dealing with this problem of social security, and most of our welfare programs are in the jurisdiction of Ways and Means. For years, I have sought to get from the Department of Health, Education, and Welfare the expenditures by local governments as opposed to State governments in the area of welfare and health. They haven't had the figures.

What brought it to my attention particularly was that they always had Missouri and Texas listed as spending no money, because those two States do most of the spending of welfare and health at the county and municipal level, and very little at the State government level. But the only statistics that HEW had were State.

Then when you ask them how much do the Community Chest agencies and the nonprofit groups spend in this area, they still haven't got those statistics. So I just wonder, dealing with the problem as a social problem, how good our figures in the 19th century were. The reason our figures today seem to be clear is that we have these big programs in aggregate programs like social security, old-age assistance, aid to dependent children, and aid to the blind. These are all now singled out and amassed at the Federal level. Would you comment on just the statistical abilities that we have?

Mr. GAINSBROUGH. Among my other activities I have been on the advisory committee to the Social Security Administration, so I learned a little bit about the problems they have there of collecting data. I would agree that the figures are better at the Federal than at the State and local level.

Representative CURTIS. Yes.

Mr. GAINSBROUGH. These figures do not include the private sector's contribution toward philanthropy and charity. The conference board has devoted considerable study to this. The emphasis is all too often upon what has been going on in welfare payments just within the public sector.

Representative CURTIS. Yes.

Mr. GAINSBROUGH. Rather than the recognition of what was done early and what continues to be done in the private sector.

Representative CURTIS. Ways and Means is holding hearings in executive session right now on this. We held public hearings early this year. One of the very intriguing things that bears on this point, and I merely mention this to illustrate it, is that the doctors testified before we adopted medicare, that they were by and large undercharging the older people. Incidentally, our nonprofit hospitals and other hospitals said that they were doing the same thing. So medicare went in, and as everyone knows, medical costs went way up and are continuing to go up beyond the projected increase in costs by the Government, in our estimates.

These estimates were on the assumption they were going up, but not as much as they did. An accusation was made that the doctors were now