

Mr. STEIGER. You are serving Indians on 100 reservations now with a budget of \$19 million, and you propose to serve 105 reservations with a budget of \$25 million.

Mr. KLORES. That is right. One of the problems, Mr. Congressman, in funding any group, and I am sure you have heard this in other programs, is that you have to start the program. On many of these reservations they have just had what we call a program development grant this fiscal year. That means they have been able to hire the staff director and perhaps a part-time secretary to start the program moving.

In addition, when you start going toward the reservations we haven't reached, your cost is much higher. You reach the reservations which are accessible first and this is natural in any program. Then you reach those that are in the outlands, those that have few in number. The cost is more to reach a distant reservation as you go down the program line.

Mr. SCHERLE. Mr. Chairman, may I ask one question?

Chairman PERKINS. Yes. I am going to recognize Mr. Meeds. He has been over there.

Mr. MEEDS. I will yield to the gentleman from Iowa for a question.

Mr. SCHERLE. I have always had a great appreciation for the craftsmanship by the Hopi, the Navajo and the Zuni Indians, in fact, particularly in their silverwork and turquoise. Can you tell me why the OEO is giving a grant to the Zuni Indians and mechanizing their craftsmanship that has been so valuable through the years which will ruin the very thing that has made them pretty famous?

Mr. KLORES. I will be glad to. You and I share the same appreciation for Zuni craftsmanship. I have spent some time on the reservation and the only problem I have on it is that my wife insists that I buy her jewelry when I go there, so I don't go very often, but we gave a grant of \$250,000 to the Zunis to increase their ability to make handmade jewelry. There is no mechanization involved now that was not involved in the past. The only mechanization involved is the use of what you call a buffing tool that they have always used. It is nothing more than a drill with a buffing head on it to polish stone.

These people asked for the program. The Zunis wanted the program because the very fact that they are Zunis doesn't make them an expert silversmith any more than someone who is Italian is an opera singer.

Mr. SCHERLE. Your wife will disagree with you.

Mr. KLORES. I don't think she will. She had better not. They wanted this program so that they could take their ordinary craftsmen who don't get very much for their jewelry when they go into town to make them expert craftsmen and Zunis are employing their own people to teach those in the journeyman level to become experts so that they can receive the same price for their jewelry because it will be expert jewelry. It will be a perfect product when it is finished. An awful lot of it as the Navajos call it junk jewelry.

Mr. SCHERLE. You mean the Navajos call the Zunis' junk jewelry?

Mr. KLORES. Exactly.

Mr. SCHERLE. That is not fair competition. What did you say the grant amounted to?

Mr. KLORES. \$250,000.