

And the answer has been, "Yes," in a very encouraging way. We assume that there is still more that we can do by way of experimentation in picking up the submarginal economic cost of that training. That I think we can do. I would like to express very strongly the view at this point that to go beyond that would be to invite real problems.

Mr. SCHEUER. Problems of both evading the minimum wage structure and also of simply wastage of money?

Secretary WIRTZ. Of spending Government money for training which ought to be done by the employer anyway. That training ought to be paid for by the company as is customary rather than the taxpayer.

Mr. SCHEUER. On this side of the aisle you know we are very economy minded. We like to see a big bang for a buck where Federal moneys are spent. We are concerned with the cost-benefit aspects of the training programs and we are eager to achieve maximum economy and maximum effectiveness in all of these manpower programs.

It seems to me that anything that would largely dilute the cost-benefit ratios and give us far less direct results per dollar of Federal money spent would offend our very highly developed sense of economy, thrift, and cost-effectiveness.

Secretary WIRTZ. It would mine.

Mr. SCHEUER. A few months ago, earlier this year, through a process of default and attrition I occupied the chair of the meeting of the Joint Economic Committee at the time you were testifying.

You gave us some remarkable figures on cost-benefit results at least to that point for on-the-job training programs. You stated, and placed some material in the record to the effect that the cost to the Government of these on-the-job training programs was returned in about 2 years from savings in welfare expenditures.

Secretary WIRTZ. That is true and in actual taxes paid.

Mr. SCHEUER. The Federal investment was returned again in the first 4 years from the additional tax that these folks paid. In other words, you got them off welfare. That saved the cost of the program in 2 years, and then as taxpayers, they returned the Federal investment in their training out of their taxes alone, during their first 4 years of employment.

Have you had any recent experience that would change this for better or worse?

Secretary WIRTZ. No, but it continues so that there is subsequent confirmation of this fact. There is no subsequent study but I appreciate your referring to and I emphasize it again.

It means that these on-the-job training programs cost no more, probably less than, a welfare payment which would be substituted for it, which would have to be, and then after that the whole thing comes back in tax money.

That is the on-the-job training cost. When you come to the institutional training programs and the other it takes a longer period. I have nothing to add to that.

Mr. SCHEUER. You mentioned this morning that the cost of the "Jobs Now" program, of training the worker, was approximately \$9,000.