

identified that position first my answer to you is that I see no difference between the two.

Mr. QUIE. I find myself coming to the point that if there is no difference between private nonprofit organizations, then I don't see that the private profitmaking organization makes that much difference.

Sometimes the difference between private nonprofit and private profitmaking determines whether you are paying it to patrons or to employees rather than to the stockholders.

Secretary WIRTZ. I would have no difficulty at all and don't have any difficulty at all with that in terms of logic. Let us take a specific case. Suppose there is an individual that is worth 50 cents an hour to an employer. The minimum wage is \$1.40 an hour. And the training which he gets will cost another, let us say, 50 cents an hour. It would make more sense theoretically to have the employer hire that man, and we help pay wages as well as training costs. That would be a better bargain than keeping that person on relief or it would be a better bargain than our picking up the whole of the training cost because it would be 50 cents an hour.

Theoretically, I don't think there is a thing wrong with that. If I could see a law, and I suppose that is what we are looking for in the tentative probing we are doing, if I could see a law limiting that general situation I would subscribe to it.

But I know of no law that would cover that situation without covering a lot of other situations, including particularly the situation in which the employer would traditionally have absorbed that *x* factor until this individual became a fully worthwhile employee.

I am afraid that the proposal which has been made would cover cases of that kind.

Mr. QUIE. I see that the philosophy and logic of the Secretary and myself are not very far apart. The question would be in the field of the industry youth corps and whether we have gone beyond what the Secretary—

Secretary WIRTZ. No, the closest piece of experience is our learner certificates under the minimum wage law as applied to handicapped people. We have spent a lot of time with the sheltered workshop kind of situation. In theory that ought to be right. We know that in practice it has led to some very, very unfortunate results. Exploitation is not too kind a word for some of what has been done there.

That is not the worst of it. It has meant that those people physically handicapped are today, by virtue of the exemptions we grant, doing terrible kinds of work. They are doing a repetitive, monotonous sort of thing that yields them about 25 cents an hour in some cases and can't help their ego, id, or whatever it is.

What we are talking about is another kind of disadvantaged person here. I am afraid it would lead to those same results.

Mr. QUIE. Let me get onto another area where I want to ask questions. That is the relationship of the Department of Labor with the Office of Economic Opportunity.

Now, the way this new bill is going to be written, title I, part B will incorporate, as I understand it, all the programs that will be delegated to the Department of Labor.

Secretary WIRTZ. All that have been and I assume that in the future, but there is nothing that they will be required to be delegated to the Department of Labor. The answer is "Yes."