

Therefore, it seems to us building from the Investment Credit Act experience, here is a simple approach for approximating for some youngsters at least their economic value to their employer and what he has to pay them or what he should pay them.

Mr. HAWKINS. You make it sound very simple. I certainly agree with your desire to get away from redtape, but I am wondering who is going to ascertain the actual worth of the individual and the difference between that worth and the salary that would be paid? Is this going to be fixed by the employer who does the training or will it be fixed by some neutral agency, some governmental agency, or who is going to ascertain this for the various industries?

I assume that yours would not be the only industry which would take advantage of it. Now, who will do it for various industries?

Mr. ROBIE. As I understand the proposal, and as I would contemplate it, the notion of making any kind of exact economic difference is not really involved.

I would say this would be successfully administered only if this 25 percent were thought of as a rough approximation of the kind of incentive that would be sufficient.

Mr. HAWKINS. Would this vary from industry to industry?

Mr. ROBIE. Theoretically, as I understand from Mr. Goodell, there could be a situation in his bill leaving it flexible so than 25 percent or less could be given. The 25 percent we have provided for the youngsters in this experiment happens to equal about 25 percent of their wages for 1 year, so I assume the research that went into the drafting of the bill took this into consideration, too.

It is not just a coincidence.

Mr. HAWKINS. You have had experience in this field. You have employed young people for a long time at the lower level jobs. Is it not conceivable that some industries would not have that experience, and maybe it would not be 25 percent or maybe 30 or 33 percent if you are going to equalize it?

Mr. ROBIE. I think the administrative questions, and actually they are more than administrative questions that you raise, are all important questions, and some of these administrative details would have to be worked out. Actually, these are not different problems from what the poverty program is already facing. When negotiations are undertaken for the Manpower Development and Training Act subsidies these same questions come up and determinations still have to be made as to whether the youngsters are the appropriate youngsters to get this type of subsidy and whether the industry is the appropriate industry and also with regard to the number of subsidies needed.

Some say that the trying at Chrysler Corp. is a great success. I am one who admires this although some say too much Government money is being spent and that the companies ought to spend more money.

Mr. HAWKINS. We are trying to avoid redtape and it seems to me we must also anticipate instituting this system would involve a lot of redtape and administrative problems and they will not abate simply because we shift to a new concept.

Mr. ROBIE. I agree there will undoubtedly be administrative problems but there are some concepts that are sufficiently attractive and different from what has been done up to now to give it promise both politically and psychologically and also in terms of a stated attempt