

I have pushed this in my own community wherever I could get an audience to listen.

Let me talk about tax credit because that seems to be an issue here and let me express my own opinion to see if you agree with me.

In larger industries, you have people sitting at your management level and you are always looking at opportunities to take advantage of the tax laws so that you can perform certain services, but the average small businessman does not find out about these tax credits until finally some alert bookkeeper or professional accounting service says, "You know if you could go back and reexamine a few of those vouchers you paid last year you might be able to get a tax credit." That has been my experience in small tax credits and I think that is what would happen if we got into a massive tax credit for massive training.

Based on your experience, do you think this is a reasonable assumption?

Mr. ROBIE. I think it is a reasonable fear. First, I should say that we are in an unusual tax position in the insurance business. We are not taxed the way other companies are taxed. We don't get the same kind of credits that other people get.

I am a personnel director and not a controller. First of all, I don't know enough about the tax picture in our company but I know enough to know that we are different. I think the tax credit technique does have certain dangers which you mentioned. If we begin multiplying the uses of the tax credits I can see some problems but it does happen to be a method that worked when we were trying to get something else done.

Mr. GIBBONS. For equipment, I agree, and the reason why is all of the salesmen of equipment come in and say, "I can save you a lot of money this year," but you are not going to find poor people knocking on the door, particularly of small business, and saying, "You can save money by hiring me," but when somebody comes in and says, "I can sell you a Xerox machine that will probably cost about a thousand dollars for the machine and this tax credit if you buy it this year is going to save you a lot of money."

Their ears begin to perk up and they buy it, but you have pointed out that industry is so involved in training anyway, wouldn't we in effect have a tendency just to try to tax credit all of the training we already do?

Mr. ROBIE. I know darn well I do not know enough to be of any help to you on this at all. I think the tax credit idea is worthy of consideration but the tax laws are so darn complicated and there are so many dangers, all of these things have to be looked at and I don't know enough about it.

Mr. GIBBONS. Let's get off taxes and ask you as a personnel man if a community has a broad base like the labor unions, the poor, and others typical of our community action agencies, with a person like that coming around to you and saying, "Mr. Personnel Officer, we have many people here we would like to interest you in. We know there are excellent job opportunities in your company and there is a rather unique group you are talking about and you are going to take a little time to train them, we will help you work out a training program and agree on the cost of that training program, and we will reimburse you for the training."