work during the years after leaving formal training, not necessarily the bachelor's degree, for youngsters from lower income families would be lower income levels. Therefore, I think that creates a justification for the Federal subsidy.

So these two points are the ones I make in regard to examining this problem.

Mr. GURNEY. Admitting that your argument is correct, let us talk in terms of realistic dollars here. If your average outstanding loan is a thousand dollars, you are talking about $60 a year on a 6-percent figure. Only one-half of this is interest subsidized. Then again you are talking about $30. I can't imagine anybody who is a college graduate who would not be able to handle a $30 obligation. In terms of the Uncle Sam and the U.S. Treasury it is very large.

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Let us take the average income of teachers. A large proportion of these people will be teachers. The average salary of teachers in the United States is $6,000 at the present time. A person on a $6,000 salary, who is in a profession with an average salary of $6,000, is not going to start there when he leaves college. The average beginning salary of teachers I would estimate is somewhere in the realm of $4,400 or $4,200, maybe closer to $5,000 right now, and we could supply you that figure, but to that person this relatively small amount of interest forgiveness begins to be a significant matter. I think we are dealing with categories of people here that we have to examine rather carefully.

Mr. BARR. We are really talking about $120, $30 times four. There will be a thousand dollar loan each year. So you are really talking about $120, not $30.

Mr. GURNEY. I wonder if we might have those projected figures and take a look at it. I can see some argument for interest forgiveness during the academic year but I must say I can't see much point afterward. When a man becomes a wage earner I think he ought to get into the habit of the hard economic facts of life and repaying obligations and the use of money for these obligations.

Mr. QUIE. You took half of 6-percent interest, didn't you?

Mr. GURNEY. Yes.

Mr. QUIE. He only pays 3 percent. If there is forgiveness he would only have to pay half of that.

Mr. HOWE. We were talking about the guaranteed loans.

Mr. GURNEY. Yes, talking about the guaranteed loans. Uncle Sam picks up the 3 percent and the individual 3 percent in a certain income category.

Mr. QUIE. When Mr. Barr provides information on the cost of the guaranteed loan program could we also have a comparable cost of the NDEA loan program because the students pay back the principal, in effect, that would wash out at no cost to the Government, and the subsidized interest there as well. I believe your predecessor, Mr. Howe, came in and testified that over an 8-year period a billion dollar guaranteed loan program was more cost to the Federal Government than the NDEA loan. I don't recall the amount of additional cost.

Mrs. GREEN. I was going to ask for the same thing before we adjourn today for my benefit. Would you supply the cost to the Federal