

Secondly, there have been very large increases in the Post Office, for two reasons: One, because the volume of mail has been rising in the last several years in unprecedented amounts, and secondly, because we originally tried to reduce overtime, and in reducing overtime, you put more people on the rolls.

We thought at the time that was a good proposition for the Government. Now it turns out we have had to modify that somewhat and go back to some overtime, because we get the best mix of employees when we do that.

But the two biggest increases have been Defense and Post Office.

Now, in addition, you are quite correct, there have been significant increases in other areas of Federal employment. I happen to have in front of me the 1966 to 1968 figures. From 1966 employment will rise outside of Defense and Post Office, from 823,000 to about 870,000, or an increase of 47,000 in full-time permanent employees.

This comes heavily in several areas: in Health, Education, and Welfare, because of the number of new programs and in the Department of Housing and Urban Development where there are also a number of new programs. Undoubtedly this is a significant increase.

Last September we decided, in addition to trying to control dollars, to try to control employees. We put a freeze on the level of employment, excluding Post Office, Defense, and Selective Service, where we felt it just could not and should not be done.

Now quite frankly, we have had to break that freeze to some extent. Nevertheless, through the freeze, employment by the end of 1967 will be some 40,000 below the amount involved in agency by agency appropriations.

So you are quite right that employment has gone up even outside of Defense and Post Office. That is primarily associated with new programs. We did put a separate and special freeze on employment. It wasn't 100 percent successful, I will be the first to admit, but it did keep employment 40,000 below the number of employees financed in the appropriations.

Chairman PROXMIRE. My time is up. Congressman Curtis?

Representative CURTIS. I would like to ask this following right along the line you have been pursuing.

This point has to do with this question of reestimating. We are presented the Federal budget in January, which, as it has been pointed out, is based on assumptions that were made many months before. But as we go on through the year, Congress is faced with many policy decisions that require a reevaluation of those assumptions. I would raise a question of the semantics. Senator Proxmire says that we need to act with information and, of course, I think we all agree to that. But essentially, what I think we need here are the best estimates.

Now as Mr. Schultze knows, our little quarrel or discussion in Ways and Means was that in May of last year when we had the debt ceiling before us, we asked for the latest estimates, and they were no different from the \$112.8 billion given to us in the budget message in January. As late as last September, probably early October, when we had the same questions up involving what would we do about suspension of the investment credit, there was again, no revision.

Now here is what worries me about this. In your testimony before the Ways and Means Committee just this week, and that of the