

other foreign countries, Western European countries and others where they have what they think of as full employment situations, it points in the same direction. So that you will get a figure some place around a half of 1 percent.

Representative SCHEUER. So of this million, roughly half of them could be trained and qualified and educated so that they could make it in the private sector?

Secretary WIRTZ. The figures got confused because you and I started talking about the unemployed. Now, another part of the group that we are both thinking about is not technically unemployed because they are not looking for work.

Representative SCHEUER. They are out of the statistical universe?

Secretary WIRTZ. That is right. That is why my last figures goes up again a half million.

Representative SCHEUER. I take it there would not be any doubt in your mind that as to the million who have—who could be constrained and qualified for private sector employment that our private enterprise economy could absorb them?

Secretary WIRTZ. Yes, sir; there is no doubt in my mind about that.

Representative SCHEUER. Do you have any doubt that as to the other half million who presumably would be trained for some kind of sub-professional or service job, that there is the need for them in public services?

Secretary WIRTZ. I have no doubt about that.

Representative SCHEUER. Do you feel that our economy at the present could afford the cost of educating and training and qualifying these million people?

Secretary WIRTZ. It will cost us less to do it than the cost after the second year if we don't do it.

Representative SCHEUER. How much do you feel?

Secretary WIRTZ. If I make my point clear—

Chairman PROXMIRE. Will you yield a moment? You are telling us that it will cost us less to do it than it would within 2 years in welfare costs, and so forth, if we do not do it?

Secretary WIRTZ. That is right. These are not idle figures.

Chairman PROXMIRE. You make that estimate based on a study?

Secretary WIRTZ. Yes; and one other thing—

Chairman PROXMIRE. Will you supply us with the data?

Secretary WIRTZ. Yes, sir. It is not exact or precise.

(The information requested follows:)

ON-THE-JOB TRAINING PROGRAMS

MEMORANDUM FOR THE PRESIDENT

You have stated that a major purpose of your Administration is to make the poor, the unemployed, and the disadvantaged taxpayers rather than tax eaters.

I am happy to report that Manpower Development and Training Act on-the-job training programs are doing just that.

These programs will repay their cost to the U.S. Treasury many times over. The average trainee repays in taxes the cost of his training in less than two years.

The programs are sound investments for the Nation, both in human and in fiscal terms.