

But Congress comes along and doubles it, triples it, and now it is going to be seven times as big as that, so I think it is quite a difference.

Mr. COHEN. You made a most important point, Senator Proxmire, and that is when you take out a private insurance policy under contract, you usually get a fixed number of dollars in return.

Chairman PROXMIRE. That is right.

Mr. COHEN. But under social security, although I don't want to predict what future Congresses will do, you really have what I call a dynamic benefit.

Chairman PROXMIRE. You sure do. I want to come to that, which I think is one of the most fascinating aspects of this. But, first, I just want to add my word to what has been implied, and I would go much further than some of the other members.

I would knock out the limitation on income for social security beneficiaries entirely. It seems to me it goes back to the old theory that we have a scarcity of jobs, and an abundance of labor, that we can't possibly solve our unemployment problem, and I think we are getting into a position now where we are confident we can.

In that kind of a society we want people to work if they want to work. We have two unfortunate immediate impacts.

One is it would increase the cost of the fund, and I think that even though they get revenues from people working, it wouldn't overcome that.

The other part, of course, is that unemployment statistics would go up, but I think those are both minor and superficial, compared to the advantage of getting people to produce as long as they want to.

Now I would like to go back to the question I asked when I finished previously, and you had replied in part. But my question was how do we know to what extent our resource-building resources, in other words, the people who are the instructors, teachers and so forth, are being fully utilized, and what kind of priority system is possible and feasible that we can set up to determine this? These are priorities within the Federal Government.

Mr. COHEN. Within the Federal Government?

Chairman PROXMIRE. Within the Federal Government; recognizing we can order States and private people around.

Mr. COHEN. Yes.

Well, I would say in the Federal Government we are only beginning to do it.

Chairman PROXMIRE. Don't you think we ought to?

Mr. COHEN. Yes, I do.

Chairman PROXMIRE. Isn't this the very heart of growth and development?

Mr. COHEN. Right. Now we have instituted, as you know, in the last couple of years under Assistant Secretary Gorham, a new system of program planning and budgeting, which is an attempt to make a cost effectiveness analysis of our programs. I think this bears partially on the question, because I happen to believe that the training programs have a higher degree of effectiveness than almost any other programs.

Chairman PROXMIRE. Secretary Wirtz said yesterday that in terms of welfare costs, a training program would pay for itself in 2 years. In terms of Federal tax revenues, it would pay for itself in 4 years.