

Mr. HELLER. I would only add one brief note to that, and that is that it depends on whether you are talking about factories and actual plant and heavy equipment or whether you are talking about things you can essentially buy off the floor, like trucks and business equipment, photographic equipment, et cetera.

Senator PERCY. That is true, but machine tools require 6 months, 4 months, 7 months, 8 months leadtime.

Mr. HELLER. But that is partly because of the huge backlogs which today are larger than is really good for the economy or good for the balance of payments.

Senator PERCY. All of this is needed to combat inflation, to get our costs down, and to make us more competitive with other countries, almost all of whom have far more liberal writeoff programs than we have in this country—Switzerland, Germany, Japan, and so forth.

Mr. HELLER. Basic policy—there is absolutely no disagreement between us. Possibly a difference in timing.

Senator PERCY. Could I ask for your comment on the discussion that we have had on the tax credit for human investment. The cost of our Job Corps program is very high indeed. I was up yesterday to see the Philadelphia program again with Reverend Sullivan. I am happy to have in the audience today Reverend Nussear from the Woodlawn organization who is trying to find employment for unskilled, uneducated people.

It would seem to me that if we decentralize the responsibility of taking people who do not now have the skills and ability and who are now on public aid rolls, and if we find ways to train them and move them onto the private payrolls of industry, by giving an incentive to companies all over the country through a tax credit to take these people and do the extra training required to make them employable, that this would be a highly desirable objective. Would you care to comment as to whether you have given thought to this and whether or not it is a program that you would feel we ought to move toward.

Mr. HELLER. Senator, I agree with the objective wholeheartedly, but I am concerned about using the tax mechanism for so many of these objectives that should perhaps be attacked directly by Government programs. After all, if we put through the tax mechanism all kinds of special benefits designed to accomplish these ends, we would begin to make sort of second structure appropriations committees out of the tax committees.

Now obviously my position on this isn't pure because I am for the investment credit. But you have to be terribly sure, first of all, that the objective is terribly important—and your objective is important.

But second, you have to be sure that the tax mechanism is really the best way to do it. I am not sure that it is in this case, and I haven't given it enough study to say 100 percent that it is not.

Senator PERCY. I agree in principle with you. I don't like to see this complicated tax structure, but with the million people coming in the job market that haven't the skills to get jobs, and with the tremendous cost of such programs as Job Corps per person, I don't see any alternative other than to use all the resources of industry now to do this job of hiring the unemployable today, this hard core of unemployables, and it is the best that we have been able to come up with, and I think we will tend to pursue it as much as we can. Thank you.

Chairman PROXMIRE. Senator Symington?