

Taxes are already taking a very large part of the income of the American people. I presented some figures previously. If I had used as my yardstick not the gross national product, but the net national product, which is a better measure, the tax burden would appear even larger than is indicated by the figures in my initial statement.

I think we have to watch the tax burden, if this country is to remain strong economically. Therefore, we must also watch our expenditure curve.

Representative GRIFFITHS. I would like to ask you in connection with the welfare program, what, in your judgment, is the difference in a welfare program supported by a payroll tax and one supported from general revenues, and do you have any preference for one over the other?

Mr. BURNS. I have a little preference for a program that is supported by an employment tax such as we have. My preference is based on the consideration that since this is a tax that affects working people across the country, they will be concerned about the magnitude of this tax, and, therefore, also about the growth of expenditures.

I think we are likely to have better control over expenditures through this kind of a tax, although there are arguments against it, from the viewpoint of equity. From the viewpoint of the longrun interests of the Nation, there is much to be said for the kind of legislation that we have now, and I would be reluctant, I think, to change it.

Representative GRIFFITHS. You mean the social security program is for all intents and purposes really a welfare program?

Mr. BURNS. Oh, yes.

Representative GRIFFITHS. That is not really as it started out to be in the beginning, the replacement of earned income?

Mr. BURNS. It is a welfare program, basically.

Representative GRIFFITHS. Now, I regret to say that I don't agree with you. I think that the moment you put an earmarked tax on in place of watching the expenditures, you guarantee that you will make them, and I think this is true even in social security.

I think many of the programs that have been added to social security never should have been added. But the money was available, and the program was added. Somebody spoke up and wanted the money, and it was added. Let me give you an example.

The cost of continuing children on the social security program from 18 through 22, if they continue in school, costs \$250 million a year. In the first place, of course, the children don't get the money. The mother gets the money.

There is plenty of money available for kids to go to school on today, if they really want to go. What we have now done is, since the mother didn't work until she was 50, she is now writing in that social security should begin when a widow is 50. We have added \$250 million a year to this program, when there were only 700,000 possibilities of any kids going to school.

Mr. BURNS. Then you feel that we have made this addition merely because there was money in the social security fund?

Representative GRIFFITHS. There was money available. Somebody wrote in and wanted some money, and so this program was added. I am very much opposed to that type of program.

I personally feel that the social security program should be what it set out to be. It should be to replace earned income, and it should pay