

back in relation to what people have paid in. If we want to add anything else to the welfare, I think it should come out of the general funds, and I really feel this, because I think that a payroll tax is the least conservative tax there is.

What you are really guaranteeing is that every cent of it is spent. This has been true in any type of earmarked tax that has ever been levied. There are many people in this country devoting days and nights to figuring out what to do with the highway tax money. Anything that you earmark is gone. So that I feel that is a terrible mistake, and I personally am going to do everything I possibly can to see to it that we change that social security back to pay the people that paid into it.

Mr. BURNS. The thinking of the world is changing; also our own, we are moving gradually toward a welfare state along European lines. In many ways I feel that that is a good thing. What causes me concern is the speed with which we move.

Certainly, under present conditions, if we stay within the revenues made available by the employment tax, we will not increase social security benefits by anything like 20 percent.

Representative GRIFFITHS. But may I break in? The problem is that that won't be what will happen. You won't just give them the money that is available. You will look at the tremendous need, and part of the need has been created by the people who have been placed on the program that shouldn't have been placed there in the first place.

Therefore, you will satisfy first the need and then you will raise the tax sufficiently to pay for it, and a lot more women will go to work who are not going to be paid, and we will have more money available, and so we will spend that the next time.

Mr. BURNS. All that I can say is that, while you may be right, my own feeling is that the present scheme of taxation acts as a modest restraint on the growth of welfare programs.

Representative GRIFFITHS. I think that it has been proved that in the places where the welfare program comes out of the general tax fund, since it is competing for other tax revenues, that the welfare program is a more modest program.

Now, may I ask you what would your opinion be on an assured income, a negative income tax?

Mr. BURNS. That is a very difficult question. The negative income tax is one proposal among others for guaranteeing income to people.

If we had a guaranteed income through one device or another, and didn't keep changing the size of that guaranteed income, I am inclined to think that I would go along with it. What I fear is that once we begin guaranteeing incomes at one level, we will keep raising the level, so that the burden on the Nation may become insupportable before too long.

Representative GRIFFITHS. That is, if you could start, here is so much money and here is a possibility of a job or a training program, and any children you have you are going to support, don't come back and ask for more money. You might really save money.

Mr. BURNS. You might.

Representative GRIFFITHS. And, certainly, you would at least cut out the administrative costs, a large part of the administrative costs of the welfare program.