

Mr. HANSEN. The figure was smaller than I had anticipated, 0.02.

Mr. McCracken. Two-tenths of a point I think.

Mr. HANSEN. Much smaller than I had thought.

Mr. McCracken. But how to handle such things as interest rates or mortgages, taxes and that sort of thing are difficult matters in the construction.

Representative WIDNALL. When you go into a restaurant, you see the price of particular dinners raised from, say, \$3.50 to \$3.75, or from \$3.75 to \$3.85, these seem to reflect much more than 0.1 percent or 0.05 cost-of-living increase.

This may be just unusual with respect to my own particular case in the restaurants I patronize, but I'm sure it happens in restaurants of all kinds throughout the whole United States, and I know they just don't seem to be on any 3.5 percent guideline.

The increases that are taking place are far more than that. I just can't square what I see in the papers with what I see in my own bills, what I see in the bills of other people, including low-income people, very low-income people.

Mr. HANSEN. I appreciate that. I sometimes feel the same way myself.

Representative WIDNALL. What can we do to encourage more people to get into the services areas, to help stabilize prices in those areas?

Mr. HANSEN. Spend more money on educating doctors and nurses than we do.

Representative WIDNALL. How about servicemen such as television repairmen and the like? You have got the same problem there. It is not just in a specialized profession where you have to have a 4-year education or a college education.

It seems to me that you don't have the element of control over those prices that you do have reflected in trying to handle major wage or management and labor agreements, such as the things that are coming up right now.

Mr. HANSEN. I think scarcity is the main thing. We don't have an ample supply of people in the service industries, and we have to create an additional supply. It costs money to do it.

Representative WIDNALL. But you do have certain things, too, with respect to some of these other areas that are not the big major industries, where the restrictive labor practices that prevent people from getting into it, or discouraging people from getting into it, take place.

Mr. HANSEN. Right.

Representative WIDNALL. Shouldn't we take a look at that, too?

Mr. McCracken. This whole area of restriction on mobility of of labor is certainly one that needs to be explored. Of course, I think we have to recognize that one of the restrictions on mobility has to do with prestige.

We may be moving into an economy where the blue-collar worker will have to be paid more than the white-collar worker, because the latter takes part of his income in prestige as it were. We certainly see this at the educational level, with the enormous pressure to get into college and on into a white-collar occupation. But there are a lot of viscosities in mobility here, a lot of restrictions of various kinds, some formal and some informal.