

REPORT OF THE PRESIDENT'S COMMISSION ON BUDGET CONCEPTS

TUESDAY, OCTOBER 31, 1967

CONGRESS OF THE UNITED STATES,
SUBCOMMITTEE ON ECONOMY IN GOVERNMENT
OF THE JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room S-407, the Capitol, Hon. William Proxmire (chairman of the subcommittee) presiding.

Present: Senators Proxmire, Jordan, and Percy; and Representatives Rumsfeld, Curtis, and Griffiths.

Also present: John R. Stark, executive director, and Donald A. Webster, minority economist.

Chairman PROXMIRE. The subcommittee will come to order. The Joint Economic Committee has a long, deep interest in the Federal budget, not only its impact on the economy, but in the concept underlying it, its form and process. They are all interrelated and derived from our responsibilities under the Employment Act.

The public sector is extremely important from the point of view of the Employment Act, and the budget document must bear a major responsibility for providing its information and finances in the Federal sector.

In 1958 the Subcommittee on Fiscal Policy of the Joint Economic Committee, presented a number of findings and conclusions on the subject of Federal expenditure policies for economic growth and stability, including a number on budget concepts and budget form.¹

In 1963, the Joint Economic Committee published a report on the Federal budget as an economic document.² Incidentally, that was the work of the Subcommittee on Economic Statistics of which I was honored to have been chairman.

This also set forth a number of precepts on the budget document. I intend to refer back to some of these recommendations a little later on after Mr. Kennedy has had a chance to make his opening statement.

In our annual report³ filed on March 17 of this year we strongly endorsed the President's appointment of your Commission, pointing out that it should serve to bring the entire budget document much closer to the ideals spelled out by this committee and its subcommittee in earlier years. It might be added we have recently completed hearings

¹ "Federal Expenditure Policies for Economic Growth and Stability," report of the Subcommittee on Fiscal Policy of the Joint Economic Committee, Jan. 23, 1958.

² "The Federal Budget as an Economic Document," report of the Subcommittee on Economic Statistics, Aug. 14, 1963, published as S. Rept. 396.

³ Joint Economic Report on the 1967 Economic Report of the President, Mar. 17, 1967, 90th Cong., first sess., U.S. Congress.