a tough job to set all of the priorities in a total Federal budget. I have a good deal of confidence in the way the President has done this in relation to education.

I call to your attention that our authority to obligate funds in the Office of Education in fiscal year 1959, if the Congress meets this budget, will be more than $200 million above what it was in fiscal year 1968. We have a long list of very important programs in which there will be very considerable increase, not the least of them being the $52 million increase the President is requesting for the training of additional people to serve the schools and colleges. I think there has been a careful consideration of priorities, and I suspect that consideration of the item you mentioned has been part of that.

Mr. QUIE. Another decision was made in the education budget and it was that the Federal Government ought to pay 5 percent more on the work-study program than it is doing in this year, that is, go to a 90–10 matching for work-study rather than 85–15. Why do you feel that for the work-study program which not only benefits the student but also the institution as well, 15 percent is too high an amount for the institution to pay as matching and that 10 percent is the correct amount?

If you don't do this, we are going to go by steps to an 80–20 matching next year and 75–25 in the third year.

Mr. MUIRHEAD. Mr. Quie is referring to, of course, the proposal in the combination bill that would have the same matching for the NDEA loan program as for the college work-study program—90–10 matching. It was the administration's thought that we should move toward some concept of dealing with these programs in a regular, orderly manner and that the matching requirement for the NDEA loan program of 90–10 should be just as applicable to the work-study program.

Mr. QUIE. What is the institution's benefit from this loan program?

Mr. MUIRHEAD. You are quite right in pointing out there are benefits that accrue to the institution from a college work-study program that do not accrue from a student loan program. The policy decision here however, was based on the fact that it is becoming increasingly difficult for institutions to provide large amounts of matching money for Federal programs. If they move toward the goal of a student aid program—that is, to seek out, encourage, and induce additional numbers of disadvantaged youngsters to come on the college campus—that effort should not be thwarted by making it necessary for the institution to provide additional moneys of its own.

Mr. QUIE. You are thwarting their ability in the long run to provide the opportunity for these needy children by drastically cutting back the facilities program and when you have the inducement of 85–15, it seems to me, that is a substantial one to the institution. An institution benefits by more than the 15 percent it has to contribute in the kind of work that can be done around the facility. It seems to me the money you propose to spend at the Federal level which otherwise would have come locally, could be more wisely spent some other way.

Mr. MUIRHEAD. Well, if you put the question in that context, I think you have to weigh it against the judgment that the administration made, which the Commissioner explained a moment ago, that in a