

The dilemma is that low income exemptions are not adequate to encourage relief recipients to seek economic independence while higher exemptions mean subsidization of families above the poverty line. Negative income tax, while it might provide for greater administrative simplicity, is likely to be achieved at considerable cost and inequities. The tax would be uniform throughout the nation and would fail to take into consideration variations in costs of living between urban and rural areas as well as regional differences in cost of living.

NEEDED: AN ORDERLY LONG-RANGE COMMITMENT

Gimmicks will not right the presently deficient welfare system. What is needed is an additional commitment of vast resources which should be judiciously divided in providing income maintenance and in providing essential goods and services to poor people to improve the quality of their lives.

Since vast additional funds to help the poor are not likely to be forthcoming in the immediate future, the best contribution that we can make to the poor is to establish realistic priorities and implement programs which will continue to reduce poverty from the American scene. Assuming that during the next few years society is to boost funds in aid of the poor at an annual rate of \$2 billion—reasonable goal despite the exhortations that have become fashionable of late—a judicious allocation of the additional resources suggests that half of the additional funds be allocated to income maintenance and the balance be devoted to training, housing and improving the type of services now funded by OEO's Community Action Program. The need is to assure that the funds to fight poverty will be forthcoming in an orderly fashion.

Representative GRIFFITHS. Thank you very much, Mr. Levitan.

I again want to express my appreciation to each of you.

I would like to say to you again, Mr. Rees, if you give the case worker or the Labor Department or any other person, including the Congress, the right to determine that the woman should stay at home, in general, she will stay at home. Fifty percent of all high school drop-outs are girls. Yet not a single girl was trained until Congress wrote into the law that at least a third of the trainees had to be girls.

The social security law is a horrible example. We wrote into that law sometime ago, over my objections, that the mother could continue to draw social security until the last child had reached 22 if that child stayed in school—although in theory the check is for the child. Now, that cost \$500 million. That is not done for those children. It would have been better to put the \$500 million into the education funds. It was done to keep the woman on social security.

The ADC program does this, too. Then she reaches 50. What are you supposed to do then? Go out and get a job?

Well, we fixed it up in social security, again over my objections. At 50, a disabled woman can draw social security on her husband's account. You will change the entire social security program. Why should a woman be permitted to draw if the husband himself could not have drawn?

We also have it set up because a woman is, on the average, 3 years younger than her husband, that she can draw full social security at 62. She can draw more social security as a widow than her husband could have drawn if he had survived and asked for the money at 62. So the Congress is set up on the belief that women do not work and that they have to be supported. You are never going to cure this welfare problem until this program is looked at realistically. Welfare is being generated by women. Therefore, you have to give them a chance to work, in my judgment. And, if you leave it to social workers or to the Labor Department, or to Congress, they are never going to work. Those few who have no skills will not have a chance.