

themselves. We have moved in that direction in New York City. In all honesty, the clients themselves have moved more rapidly in that direction. So you are increasingly having involvement of clients.

We have developed a bulletin which provides specific information—a pamphlet to be provided to all people who apply for welfare—as to what their rights and entitlements are. We have moved toward decentralization of services by providing neighborhood satellite centers.

I think these are things that have been done and can be done, but I say to you they won't in the end do the job. So while we are making these improvements, I would suggest that we consider and move toward the development of a new package of programs.

Let me emphasize the package aspect. To suggest that any one of them will work is, it seems to me, simply not realistic. Well, there are various packages. Mine happens to be closely related to that of Lisle Carter. I would suggest three things dealing with the income maintenance part of it.

One is that there should be a drastically simplified, modified public assistance program that would be residual. It is unrealistic to think that any program is going to eliminate the need for public assistance. We will need a program of that kind. It will be cut down substantially and obviously ought to be simplified in the ways we have suggested.

Secondly, I would bring the aged, the disabled, and blind under the social security system. We have already moved in the direction of bringing people 72 and above into the system when they have not contributed to it. The argument, of course, is that this will destroy the system. I do not believe that for a moment. It seems to me that here you have a simplified and effective way of taking care of a substantial group of people, of bringing them under the blanket of the social security system, and saving the costs involved in welfare programs, therefore coming up with a much more effective system.

I, too, would opt for the children's allowance. I do not want to get into a long debate with those who advocate the negative income tax. I would settle for either in place of the public welfare system. I happen to favor the children's allowance system for the following reasons: I believe it is simpler to administer since it goes to all. It would eliminate the disincentive problems. It eliminates the means test completely. Anybody with any experience with the means test knows that it has never been administered in any way except a way that is mean.

Four, it puts emphasis on the importance of the family as an institution; five, it has been tested out. As Mr. Carter has indicated, 62 countries have it. So I would urge this.

There is a problem of the cost and the expense, but that problem is true whichever system you go to. The question of what level you set the children's allowance system at is no more complicated than the question of at what level you set negative income tax.

It might be well to consider giving a \$600 allowance to all children below school age, not because I am not concerned with what happens to children once they get to school, but it does seem to me that at this younger period of life the problems posed for the families are the most difficult. Therefore, it seems that as a way of starting the program—because the history of the United States in this area is that we always