

go by bits and pieces—it might be well worth considering a beginning children's allowance for children below the age at which they go to school.

Alvin Schorr, in an outstanding book called "Poor Kids," has suggested that such a program at \$600 a year per child would cost about \$5.9 billion on the assumption that the welfare costs would continue as they are because you would increase the welfare allowances to those who would continue to get them. Obviously, there is a possibility for additional savings that would reduce the cost below the \$5.9 billion.

You would have to and certainly should eliminate the \$600 income tax exemption for dependents, and there are other things that can be done with the tax structure also that could cut down the cost.

Let me repeat what Mr. Carter said, because I think it gets overlooked. It is true the children's allowance would go to some people who are not now on welfare. That is often cited as a disadvantage. I consider that an advantage, because it is unquestionably true that there are many families eligible for welfare or just above the welfare level who feel left out of things and who feel that they are put upon by having to support programs for people who are on welfare. I want to bring in some of these people, to give them a sense that they have a stake in the system as well, and to provide them also with the help that they need. So I consider it an advantage that people not on welfare would derive benefits from this system. By eliminating the exemption and making other tax adjustments, we can see that Governor Rockefeller, for instance, does not benefit from an allowance—this type of thing seems to worry some people.

Let me indicate that one of the benefits of such allowances is that they would eliminate strain on young families.

Now, in addition to a new income maintenance system, I think we have to move toward guaranteed employment. This is an essential step that is completely, it seems to me, in the tradition of this country. There are two ways to do this. One is by subsidy to private industry. I believe that is an essential step. I have suggested that where private industry employs a man who is 50-percent productive in the first year, the industry be subsidized for the remaining 50 percent until the person is fully productive. Time limits can be put on this; safeguards can be built into it.

Here again you would move people into employment, reduce the welfare costs immediately, and, at the same time, set up a situation where people get used to working and become productive members in the society in the same way that is true of other people. I see nothing wrong with subsidies to industry or to anybody else to provide employment for poor people. This country has grown great on the subsidy system.

It has always been ironic to me that subsidies to everybody else are considered acceptable, but when you talk about subsidies to poor people, they get redefined as handouts, with all the negative concepts that arouses. It seems to me that with this kind of subsidy to private industry and with the use of Government as the employer of last resort—and I am not talking just about or even mainly about the WPA system, although I have no objections to that; I think the WPA did significant things in this country—I am talking about jobs in the public sector that are essential. Anybody just has to look at things like