INCOME MAINTENANCE PROGRAMS

TUESDAY, JUNE 18, 1968

CONGRESS OF THE UNITED STATES,
SUBCOMMITTEE ON FISCAL POLICY
OF THE JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The Subcommittee on Fiscal Policy met, pursuant to recess, at 10 a.m., in room 1310, Longworth House Office Building, Hon. Martha W. Griffiths (chairman of the subcommittee) presiding.

Present: Representative Griffiths, and Representative Melvin R. Laird, Wisconsin (guest).

Also present: John R. Stark, executive director; James W. Knowles, director of research, and Nelson D. McClung, economic consultant.

Representative GRIFFITHS. The subcommittee will come to order.

First, I would like to thank each of you for appearing here. It is very kind and very helpful of you.

You may begin, Mr. Morgan.

STATEMENT OF JAMES N. MORGAN, PROFESSOR OF ECONOMICS, UNIVERSITY OF MICHIGAN

Mr. MORGAN. Thank you, Madam Chairman.

I come here in a double role, speaking both for myself and for Professor Harvey Brazer, chairman of the Department of Economics, University of Michigan. I am a professor of economics at the University and a program director at the University's Survey Research Center, which is part of the Institute for Social Research.

Professor Brazer is the author of a draft proposal for children's allowances, focusing improved income maintenance programs on families with children. While his paper has been scheduled for publication on June 14 as part of a symposium volume edited by Eveline Burns, I should like to introduce it into the record of these hearings, and to add some comments.

Representative GRIFFITHS. We will be pleased to place it in the record. (See volume II; appendix 7.)

Mr. MORGAN. Thank you.

Professor Brazer focuses income maintenance programs on families with children, saying this is where the improvement is needed most.

Professor Brazer and his research assistant, Gail Wilensky, are already working on improvements in the detail of the plan. For instance, in order to insure that low-income families with one or two children are at least as well off as under public assistance, they now propose to have a sliding scale of benefits, $1,200 for the first child, $800 for the next, $600 for the next, and $400 for each additional child.