

Bank. We are spending money like water up here in Washington that does not need to be spent, that if we did not collect those taxes the localities could do a much better job of taking care of their citizens.

Senator PERCY. My last question relates to the areas of the distinction between a guaranteed annual income and working toward some form of insuring that everyone who wants to work can find useful employment in this country. I ask it because I think Liberty Lobby is one of the best known lobbies in Washington. Do you feel strongly that we have no right, or no responsibility, to provide a guaranteed annual income—and I am not myself sure we have that responsibility? Do you feel that there is a difference, though, between trying to create a society where everyone who really wants to work, has a job, and a society with a guaranteed annual income?

Mr. HICKS. Yes, and furthermore, we think there are specific things that Congress could do in this area. We have said on many occasions before committees of the Congress, for example, that there should be a greater, a higher, level of exemption from income taxes. This would prevent persons who are capable of earning only \$4,500 or \$5,000 a year from having to pay any income tax. It is ridiculous that a person would have to pay income tax at that level of wages. Yet some do.

We have called for it in a lowering or elimination of the minimum wage laws. We feel that the minimum wage is by and large the greatest responsible factor for unemployment in the Nation, particularly in the area of untrained teenagers and persons of low mental capacity who really are not capable of holding down a job that pays \$1.40, \$1.65, who knows where the minimum wage will go next.

These are just a couple of examples. But we certainly are in favor of seeing everyone in this Nation who wants to work have a productive, satisfying task to do which contributes to others in somewhat the same proportion as he receives wages from it.

Senator PERCY. Being realistic, although I do not know much about politics, but I would just assume that it would be difficult to roll back the minimum wage laws of our State legislatures as well as our Federal Government now.

I agree with you that there is a real possibility that these laws have created a condition of unemployment. Would you then favor—and I am trying realistically to find an answer to that problem. Would you favor, for instance, having business receive a supplement, being the difference between what a man is really worth—let us say an unskilled, uneducated man, worth maybe \$1 an hour—and the minimum wage, providing that the company guarantees that it will then train and educate that person so he will be worth at the end of the training period the full minimum wage? I have a bill in to implement such a program. I have now surveyed over 8,000 small businessmen and have had 1,200 replies back from them. An overwhelming majority indicate that the minimum wage is a problem for them in their small business, but they would provide substantial additional employment if they had such a proposal, but they cannot afford to do it now, their profit margins are too narrow.

Mr. HICKS. Well, rather than make a snap judgment on how this would fit in with the policy positions taken by our board of policy, I would rather disassociate my remarks from our official position. But as an employer, it seems to me that such a proposal, provided that it did