LETTER OF TRANSMITTAL

SEPTEMBER 23, 1968.

To the Members of the Joint Economic Committee:

Transmitted herewith for your consideration and use and for the use of other Members of Congress, Federal Government agencies, the business and academic communities, and other interested parties, is a report by the Subcommittee on Economy in Government, entitled "Economic Analysis of Public Investment Decisions: Interest Rate Policy and Discounting Analysis."

The report is based on hearings which the subcommittee held in January, July, and August. These hearings focused on the procedures used by the agencies of the Federal Government in evaluating their investment programs. The inquiry was especially concerned with the present inconsistency in procedures among agencies, and the existence of inappropriate procedures in some agencies.

I express the appreciation of the subcommittee to Comptroller General Staats and his staff in the General Accounting Office for the outstanding report, "Survey of Use by Federal Agencies of the Discounting Technique in Evaluating Future Programs." This report was the basis for the January hearings and prompted the followup hearings in July and August. Their study has made a special contribution to economy in Government and will be of assistance in improving the allocation of public resources.

WILLIAM PROXMIRE,
Chairman, Joint Economic Committee.