

attempting to make significant changes through near-term budget revisions and the opportunity to make substantial achievements through real budget reappraisal and program reappraisal, the part of the time spent on longer range issues can be extended.

Senator JORDAN. I realize that the fiscal year 1969 is two-thirds over. But looking ahead, I think you make a good statement here when you say:

The review of the budget is urgent. This administration is now considering ways of reshaping Government's programs in the light of its own policies.

And I hope that is true.

And, then, you add this sentence:

We do not intend merely to pile new programs on top of old ones.

Congressman Roth has performed a great public service over in the House by identifying over 1,200 programs of Federal grants-in-aid, many of them overlapping and many of them competing, the agencies competing one with another, to see who can give away the most money. I would hope that you would, in your review of the reshaping of the Government programs, as a Budget Director, take that into account.

Mr. MAYO. We will.

Senator JORDAN. It is not altogether your responsibility. We share it with you.

But certainly I think that you could not turn your back on such a situation without giving it substantial attention.

Mr. MAYO. Yes, sir.

Senator JORDAN. Mr. Mayo, how much of the budget increases are built in? Have you identified those with respect to pay and interest and so on? Did you have a figure or a percentage in mind as to those built-in increases that cannot be avoided?

Mr. MAYO. We have figures that are available in the budget of the outgoing administration identifying specific built-in increases. The increase in pay is one of those, and I believe the figure is \$2.8 billion.

We have other built-in increases that are less easily defined than that, relating to increase in workload in departments, increases in farm programs, increases that are related directly to a formula approach on public assistance, and grants-in-aid that we were just talking about, and, of course, the increase in people who are eligible to get social security benefits.

Those are what I would call built-in increases.

Sam, do we have a figure in the old budget?

It is the same table, really, that produced your \$90 billion, Senator Jordan, and it gives the estimated costs of what we call open-end programs. I say "we". I did not have anything to do with the preparation of this, but I think it is a fairly clear presentation of what is required by existing law.

Senator JORDAN. Along with that, how about the built-in receipts? We all know that—because we have a graduated income tax structure—the rate of increase of Federal receipts is somewhat higher than the rate of increase of the gross national product. How does the built-in rate of increase in Federal receipts compare with the rate of built-in expenditures?

Mr. MAYO. Well, it is hard to make that comparison for any given year, because of the extraneous items that get into the picture. There