Mr. MAYO. Again, this is a question of national priorities, Senator Percy. And, again, I do not feel that I should prejudge the review that we are now undertaking.

In response to the chairman's suggestion earlier, I indicated that, as far as I was concerned, we were going to take just as careful look at the military budget as we do at the civilian side of the economy. Nothing is sacrosanct in our eyes as we undertake this review. Sure, we will look at space programs. We will look at all programs, including public works, with—I guess the Budget Director is supposed to have either a jaundiced eye or gimlet eye or a fishy eye. It is called all sorts of things, some of which are unprintable. In any event, we are going to look questioningly at everything that comes before us.

Now, I will not pretend to become an overnight wizard at interpreting all of these facts and opinions and judgments the first time around.

But you can be sure that I will do my best to advise the President where I think cuts can be made as we try to redirect programs.

Senator PERCY. As Director of the Budget, have you made your mind up whether you would like to see the President have discretionary authority to raise or lower taxes subject to certain limits placed by Congress?

Mr. MAYO. I have not made up my mind.

Senator PERCY. Did you determine, or do you have any feeling as to whether the program that we used in the Housing Act of 1968 where, instead of large appropriations for public housing, we used interest subsidy measures which reduced the budget impact and brought forth huge amounts, hopefully, of private funds is a good approach? Have you determined whether or not the use of tax incentives for, say, areas such as job training, which, if we are going to do an adequate job, would require multibillion-dollar appropriations will do the job? Tax incentives would mean no appropriation required, but it would cut revenue. The impact to the Treasury would be felt only after the man had been trained and the tax deduction could be taken off the corporation income taxes. Have you determined yourself whether that is a feasible and desirable method of reallocating appropriations and revenues?

Mr. MAYO. All I can say at this time, Senator Percy, is that I think it is of sufficient merit that it is worthy of consideration.

Senator PERCY. That leaves you lots of flexibility. You served on the President's Commission on Budget Concepts. Was there any discussion then, or have you determined whether or not it would be a good idea for the Government, like almost every corporation I know and universities and any major institution, to take a 5-year look ahead and try to see where you are going to go rather than always just dealing with a 12-minute period? Would it help to try to give us a broader picture? The administration will stay in certainly for 4, and I hope for 8 years. To take a 5-year period would give us a chance, then, to see where this administration intends to go? All of us, I think, would benefit from such a forecast.

Do you feel that would be a valuable contribution to our budgetary thoughts for the country?

Mr. MAYO. Well, we went through quite a bit of discussion on this, Senator Percy, in our Budget-Commission days.