

but really you are going to concentrate on fiscal and monetary policy very largely as your anti-inflationary tools.

Secretary SHULTZ. I don't think that the relative committee structures have any particular implication of that kind.

Senator PROXMIRE. You are not going to use presidential jaw boning, or guidelines, or price controls, or anything of that sort. That doesn't leave much.

Secretary SHULTZ. I would say that the creation of the Cabinet Committee on Economic Policy—and certainly economic policy includes the problems of inflation, unemployment, and so forth—is a very positive step by the new administration to deal with these problems on a broad basis.

Senator PROXMIRE. You certainly have an interest in this committee in advising on inflation and anti-inflation policy. But you have many other responsibilities, as does this committee. But it is hard to say—it is hard to substitute that committee for a committee expressly and exclusively concerned with inflation, with price stability. It seems to me it is backing away from the institutional setup. Now, it may be right to do it. But all I am saying is that that seems to be a conclusion that I draw.

Secretary SHULTZ. I can't believe, from all the discussion that has taken place, in the light of the interest of this committee, and the people who have testified here, that there is any diminution of interest in this problem.

Senator PROXMIRE. No, but there is a concentration—and of course this is debatable as to whether this is why—there is a concentration on using particular policies, and the policies are fewer, the methods are fewer, than the methods before.

Secretary SHULTZ. I haven't tried in my testimony to outline a complete strategy for the administration, but I have concentrated on the manpower aspects of the program. I felt that was probably proper for me.

Senator PROXMIRE. About the manpower program, one definition of the target for these manpower programs, as I understand it, are those who have been employed for 15 weeks or more whose incomes are less than the poverty level. Do you have any data on how large a group this is?

Secretary SHULTZ. There are data on that, the so-called target group. And defining the group is a somewhat difficult problem.

Senator PROXMIRE. And how large a proportion of this group does the 1970 budget provide that the manpower program will meet?

Secretary SHULTZ. Well, that is something that we are digging into very hard to try to estimate.

Senator PROXMIRE. It is a small proportion, 15 or 20 percent?

Secretary SHULTZ. It is related to the question that Mr. Reuss asked me to report on earlier.

Senator PROXMIRE. At any rate, I understand it is a relatively small proportion. It certainly is not half, it is less than a quarter, it is a small part of the total problem.

Secretary SHULTZ. Yes.

Senator PROXMIRE. This brings me to the question of why you have, as I understand it, a flat opposition—if you do not let me know—to increasing the minimum wage. As I understand it, the minimum wage is designed to help bring more out of poverty those who have received