

sults of the experience in terms of switching over to that method to a greater extent will bear fruit probably within the next 6 months. The CPI is periodically worked over from the standpoint of whether or not the weighting of particular goods and services is a true reflection of the market basket for various levels of income.

Preparations for the next comprehensive revision of the CPI are underway. There has also been continuing work—and I am not certain of the exact status of this now—continuing work and some concern about the problem of reflecting quality increases in the measurement process. For example, we say that medical costs are rising rapidly. And this is one of the big plus areas in the CPI.

It is certainly true that the daily price of a room in a hospital has been going up at a terrific clip. At the same time, one might ask what has happened to the cost of curing pneumonia, over a period of time? It may be that the cost of curing pneumonia has declined because of the advances in medical science. This means that the individual pneumonia patient does not remain as long in the hospital. However, the cost of curing pneumonia is a hard end product to get a handle on in a technical sense.

Now, I know there have been advances in price measurement techniques, and efforts are being made to continue these advances.

This is not a true technical response to your question.

If you would like a detailed one, I will see that you are supplied one.

Senator MILLER. For this time, that is all right. I am glad to know that you are very much aware of it, and you are working on it, and that computers will play a part in it.

On that point, however, is there any thought being given to possibly changing the area of sampling? As I understand it, the CPI is based upon sampling of wage earners in cities. And I have often wondered why we didn't take a broader look at this CPI to not only include wage earners in cities but wage earners in small communities, even retired people, so that we might have a little broader brush on what this looks like.

Maybe we might have to have two or three CPI's to reflect different segments of the social stratum. But do you know whether there is any thought being given to that?

Secretary SHULTZ. This involves sampling the varying market baskets that people in different communities have as distinct from the problem of pricing them out. The data come from surveys of individual consumers, rather than from the people who are selling the products. I am not prepared to answer that question completely.

Senator MILLER. I hope you will take a look at it and see what the possibilities are on that point, too.

Thank you, Mr. Secretary.

Senator PROXMIRE (presiding). It is my understanding that we have always legislated the minimum wage by steps, and we have always been moderate in doing so, and we have tried to tie it to some index of productivity, and so forth. And presumably we will do that in the future. I haven't heard anyone propose \$5. I have heard some \$2 proposals. And maybe that is too high. But what I am suggesting is that this is an instrument that we just shouldn't put aside and say