

under the proposed G.A.I. program, given the same level of other income. Under this program, we estimated that a typical low-income family would have realized an increase in average income of about \$1,000, from about \$2,500 to about \$3,500.

TABLE 39

Expenditures on demogrant programs and possible savings under a G.A.I. program, calendar year 1967

Program	Total expenditures (\$ millions)	Possible savings (\$ millions)
Family Allowance.....	600	400
Youth Allowances.....	70	47
Old Age Security.....	1,123	341
Totals.....	1,793	788

SOURCE: Staff Study.

Table 40 shows the Committee's estimate of the costs of providing these increased transfers to those eligible in 1967.

TABLE 40

Estimate of extra transfer payments under the proposed G.A.I., calendar year 1967

Family unit	Cost of increased transfers (\$ millions)
Families.....	1,059
Unattached males*.....	45
Unattached females.....	81
Total.....	1,185

*For both unattached males and females, only those forty years of age or older are included here.

SOURCE: Staff Study.

It is estimated that the direct costs of providing basic-allowance payments geared to the level of other income would have been somewhat over \$1 billion in 1967.

A further significant factor is the cost to the Federal Government in terms of lost personal income tax revenue paid by those whose incomes in 1967 were below the Senate Committee's poverty lines. Certain difficulties are involved which limit the accuracy of such calculations. First, Statistics