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UNTIL 11:00 A.M., EDT

AUGUST 24, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET
COUNCIL ON WAGE AND PRICE STABILITY ACT (S. 3919)

The President has today signed into law the Council on Wage and Price Stability Act, which provides a monitoring organization in the Executive Office of the President to review the various factors and conditions which relate to supply and demand, price and wage movements, and productivity in the economy with the view to countering inflationary pressures.

BACKGROUND

On August 12, 1974, the President asked the Congress to promptly enact legislation authorizing a Cost of Living Agency within the Executive Office of the President, to monitor wages and prices throughout the economy and recommend appropriate actions to counter inflation. S. 3919 provides this requested authority.

MAJOR PROVISIONS

This legislation authorizes:

- the President to establish, within the Executive Office of the President, a Council on Wage and Price Stability consisting of eight members and four adviser-members appointed by the President. The President will designate one of the eight members to be the Chairman and one of the Council staff will be designated as Director.
- the Director of the Council to employ and compensate staff members and consultants as necessary to perform the duties of the Council;
- the Council to monitor the economy as a whole, work with labor and management to improve the structure of collective bargaining and encourage price restraint, focus attention on the need for increased productivity, conduct public hearings to help publicize inflationary problems, and review the Government's policies and programs to determine their effect upon inflation;
- the Council to utilize the services, personnel, and facilities of public agencies at all levels, and to obtain economic data or information from other Federal agencies (with subsequent disclosure of such information by the Council as limited by existing law); and
- appropriations not to exceed \$1,000,000 for fiscal year 1975 to carry out the purposes of the Act.

The legislation additionally:

- does not authorize mandatory or standby controls over wages, salaries,

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prices, rents, and corporate dividends; and

- requires the Council to report to the President and the Congress from time to time concerning its activities, findings, and recommendations.

EFFECTIVE DATES

The legislation becomes effective on this date and lapses on August 15, 1975.

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