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AUGUST 29, 1974

Office of the White House Press Secretary

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THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have signed H. R. 15155, a public works appropriations bill for fiscal year 1975 providing funds for water and power development, the Atomic Energy Commission, and related agencies and commissions.

The bill raises for one of the first times the question of how well the executive and legislative branches can cooperate in carrying out the new Congressional Budget Act of 1974. Under that act, a President who signs an appropriations bill but wishes to avoid spending all of the funds may either seek a rescission of appropriations or seek a deferral. In either case, the President's action requires the concurrence of the Congress.

This public works bill is troublesome because it would increase the 1975 outlays by \$80 million above the budget and would commit us to major outlay increases in future years. I am strongly opposed to those increases because they would intensify our number one problem -- inflation.

Nonetheless, I also recognize that this bill is the product of much hard work and deliberation and contains funds for many worthy projects. A veto would commit us to the time-consuming process of reformulating a public works appropriations bill at a time when our energies should be focused on more pressing matters.

After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary governmental spending.

I am totally committed to close cooperation between the Congress and the Executive, and I know that this spirit will continue to prevail as we work together to halt the inflationary spiral.

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