FOR IMMEDIATE RELEASE

MARCH 12, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM TO:

THE HEADS OF DEPARTMENTS AND

AGEN CIES

SUBJECT:

Rescissions and Deferrals

When my first special message on rescissions and deferrals was transmitted to the Congress last September, I asked each of you to work closely with the Congress to gain the necessary acceptance of the rescissions and deferrals that would be transmitted.

I was disappointed when the rescission bill passed by the 93rd Congress last December did not support rescission of more than \$540 million of budget authority and therefore, is resulting in unnecessary Federal spending. I later noted in my Budget message that "while recommending temporary measures to help the economy and to provide greater assistance to the unemployed, I have sought, on an item-by-item basis, to eliminate non-essential spending and avoid commitment to excessive growth of Federal spending in the long run."

The action about to be taken by the 94th Congress on rescissions proposed last November may result in full or partial rejection of 25 rescissions and more than \$440 million of budget authority.

We must do a better job of persuading the Congress that our case is sound. The reductions I have proposed are the result of careful study and assessment as part of my review of all Federal programs. Restraint on the growth of total Federal spending is essential if we are to avoid commitment to excessive growth of Federal spending and a resumption of inflationary pressures in the long run.

I am sure I can count on you and your staff to not only defend but also to vigorously advocate the rescissions and deferrals I have proposed and will proposed in the future.

GERALD R. FORD

THE WHITE HOUSE MARCH 12, 1975