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*CF/Central File*

THE PRESIDENT HAS SEEN...



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAY 20 1975

*[Handwritten signature]*

MEMORANDUM FOR: THE PRESIDENT

FROM: JAMES T. LYNN

SUBJECT: Status of the 40,000 Employment Cut

The 40,000 employment cut you announced last August aimed at a level of 1,928,100 full-time positions in the Executive Branch (excluding the Postal Service) on June 30, 1975.

As of March 31, full-time employment was 1,914,440, about 13,700 under your original goal for the year.

However, there is a possibility that employment will exceed your original goal. The February budget established ceilings totaling 1,930,700 for all the agencies. Since that time, under heavy pressure from a number of agencies, we have approved further ceiling increases of 4,700, including 4,000 for the Social Security Administration. Attainment of the 40,000 reduction depends upon whether hiring by the agencies in April, May and June causes employment levels to come close to their present ceilings.

Tab A shows relevant figures for each agency.

Attachment

TAB A

**Executive Branch Full-time Permanent Employment  
(excluding the Postal Service)**

	<u>1975 ceiling in 1976 Budget</u>	<u>latest 1975 ceiling</u>	<u>latest actual (Mar. 1975)</u>
Agriculture .....	80,200	80,200	78,856
Commerce .....	28,700	28,700	28,552
DOD - Military functions .....	960,800	960,800	957,032
DOD - Civil functions .....	29,300	29,300	29,031
Health, Education, and Welfare .....	127,300	131,600	129,420
Housing and Urban Development .....	15,200	15,200	14,862
Interior .....	57,900	57,900	58,324
Justice .....	49,900	49,900	48,517
Labor .....	13,600	13,600	12,437
State .....	23,200	23,200	22,696
Department of Transportation .....	69,900	69,900	69,406
Treasury .....	109,000	109,000	106,199
Energy Research & Development Adm..	7,400	7,400	7,068
Environmental Protection Agency ...	9,200	9,200	9,205
General Services Administration ...	36,400	36,400	36,613
National Aeronautics and Space Adm.	24,300	24,300	24,414
Veterans Administration .....	186,200	186,200	183,086
Other			
Agency for International Develop-			
ment .....	8,700	8,700	8,138
Civil Service Commission .....	6,400	6,700	6,648
Federal Energy Agency .....	3,100	3,100	3,108
Nuclear Regulatory Commission ...	2,100	2,100	1,876
Panama Canal .....	13,800	13,800	13,705
Selective Service System .....	2,200	2,200	2,200
Small Business Administration ...	4,200	4,200	4,143
Tennessee Valley Authority .....	14,100	14,100	13,714
United States Information Agency.	9,000	9,000	8,741
Miscellaneous .....	<u>38,600</u>	<u>38,700</u>	<u>36,449</u>
Total .....	1,930,700	1,935,400	1,914,440

NOTE: The level necessary to reach the 40,000 reduction goal is 1,928,100.