

The original documents are located in Box 32, “5/13/76 - Remarks at Luncheon Honoring National Bicentennial Salute to Small Business” of the President’s Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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THE PRESIDENT HAS SEEN . . .

REMARKS AT SMALL BUSINESS ADMINISTRATION LUNCHEON

THURSDAY, MAY 13, 1976

ACKNOWLEDGEMENTS
SMALL BUSINESS LUNCHEON

THANK YOU, MITCH (Kobelinski introduces you.)

MEMBERS OF THE NATIONAL ADVISORY COUNCIL

HONOREES

DISTINGUISHED GUESTS

LADIES AND GENTLEMEN

IT IS A GREAT HONOR FOR ME TO JOIN
IN THIS BICENTENNIAL SALUTE TO SMALL BUSINESS.

I APPRECIATE YOUR VERY WARM WELCOME.

GEORGE WASHINGTON ONCE WROTE, "LET YOUR DISCOURSE
WITH MEN OF BUSINESS BE SHORT AND COMPREHENSIVE."

LIKE AMERICA, THAT ADVICE IS ABOUT 200 YEARS OLD,
BUT I THINK IT'S STILL PRETTY GOOD.

IN THE EARLIEST DAYS OF AMERICAN HISTORY,

SMALL BUSINESS MEN AND WOMEN WERE AMONG THE FIRST TO REVOLT
AGAINST THE TYRANNY AND OPPRESSION OF A FAR-AWAY GOVERNMENT.

SEEKING THE FREEDOM TO CONTROL THEIR OWN LIVES

AND ECONOMIC DESTINIES, HUNDREDS OF MERCHANTS AND SHOPKEEPERS

AND CRAFTSMEN HELPED WAGE AND WIN THE FIGHT FOR AMERICA'S

INDEPENDENCE.

WITH THAT INDEPENDENCE, SMALL BUSINESS HAS PLAYED

A MAJOR ROLE IN BUILDING AMERICA TO GREATNESS IN THE

TWO CENTURIES THAT HAVE FOLLOWED.

YOU ACCOUNT FOR 97 PERCENT OF ALL NON-FARM
BUSINESSES IN AMERICA, FOR NEARLY HALF THE GROSS NATIONAL
PRODUCT, AND NEARLY THREE-FIFTHS OF ALL NON-FARM PRIVATE
EMPLOYMENT. ABOUT 100 MILLION AMERICANS OWN, WORK FOR,
OR ARE SUPPORTED BY SMALL BUSINESS.

AS I SAID IN MY SMALL BUSINESS WEEK PROCLAMATION

EARLIER THIS YEAR, "SMALL BUSINESSES ARE THE CORNERSTONE

OF THE AMERICAN ECONOMY."

TO ENSURE THAT SMALL BUSINESS IN AMERICA SURVIVES

AND THRIVES IN THE FUTURE, AS IT HAS IN THE PAST,

I HAVE PROPOSED LEGISLATION TO RAISE THE ESTATE-TAX EXEMPTION

FROM 60,000 TO 150,000 DOLLARS, STRETCH OUT THE PAYMENTS

AT LOW INTEREST RATES OVER 25 YEARS, AND EXEMPT FROM TAXATION

THE TRANSFER OF YOUR BUSINESSES BETWEEN HUSBAND AND WIFE.

TO HELP YOU OBTAIN THE CAPITAL YOU NEED TO GROW
AND CREATE THE NEW JOBS AMERICA NEEDS, I HAVE ALSO PROPOSED
THE RETENTION OF THE 50,000 DOLLAR CORPORATE SURCHARGE
EXEMPTION, A TWO PERCENT REDUCTION IN THE MAXIMUM CORPORATE
INCOME TAX RATE, AND A 33 PERCENT INCREASE IN THE
SMALL BUSINESS ADMINISTRATION'S MAJOR LOAN GUARANTEE PROGRAM.

AND AS MITCH KOBELINSKI AND OTHERS REPORTED

EARLIER THIS WEEK, THE ADMINISTRATION HAS DEVELOPED:

-- A VIGOROUS NEW SMALL BUSINESS EXPORT PROGRAM;

-- A NATIONAL SECONDARY MARKET PROGRAM TO TAP

NEW PRIVATE SOURCES OF FUNDS FOR SMALL BUSINESS;

-- AND A NEW PARTNERSHIP OF GOVERNMENT, |

SMALL BUSINESS AND EDUCATION TO DO FOR SMALL BUSINESS

WHAT A SIMILAR PARTNERSHIP HAS DONE FOR AGRICULTURE

IN THE LAST HUNDRED YEARS.

I AM VERY GRATEFUL FOR THE HARD WORK, THE SACRIFICE,
THE COURAGE, THE INGENUITY, AND THE ECONOMIC STRENGTH
YOU HAVE CONTRIBUTED TO AMERICA -- AND THIS BICENTENNIAL
SALUTE TO THE SMALL BUSINESS MEN AND WOMEN OF AMERICA IS
VERY WELL DESERVED.

AS WE ENTER OUR THIRD CENTURY, AMERICA IS FACED
AGAIN WITH THE FUNDAMENTAL CHOICE OF WHAT KIND OF GOVERNMENT --
AND HOW MUCH GOVERNMENT -- WE WANT.

LIKE THE PATRIOTS OF 1776, WE ARE CONCERNED
ABOUT THE POWER OF GOVERNMENT -- THE POWER TO TAX,
THE POWER TO SPEND, THE POWER TO REGULATE.

FOR THE PAST FORTY YEARS, SINCE THE DARKEST DAYS
OF THE GREAT DEPRESSION, THOSE POWERS HAVE BEEN ON THE INCREASE•

WHEN ECONOMIC OR SOCIAL PROBLEMS HAVE ARISEN,
MORE AND MORE PEOPLE HAVE TURNED MORE AND MORE HABITUALLY
TO GOVERNMENT FOR QUICK SOLUTIONS•

THIS GROWING RELIANCE HAS, IN TURN, GIVEN
THE FEDERAL GOVERNMENT MORE AND MORE POWER TO DICTATE
HOW EACH OF US MUST LIVE AND WORK.

IN OUR HASTE TO SAY "THE GOVERNMENT OUGHT TO DO
SOMETHING ABOUT THAT," WE HAVE ALLOWED AN ENORMOUS
FEDERAL BUREAUCRACY TO BE ESTABLISHED.

SINCE PRESIDENT DWIGHT D. EISENHOWER LEFT OFFICE,

236 DEPARTMENTS, AGENCIES, BUREAUS AND COMMISSIONS
HAVE BEEN CREATED -f AND ONLY 21 HAVE BEEN ELIMINATED.

WE HAVE MORE THAN A THOUSAND DIFFERENT FEDERAL
PROGRAMS, MORE THAN 80 REGULATORY AGENCIES, AND MORE
THAN 100 THOUSAND GOVERNMENT WORKERS WHOSE PRIMARY
RESPONSIBILITY IS TO TELL OTHER AMERICANS WHAT THE CONGRESS
HAS SAID THEY CAN AND CANNOT DO.

BUT EVEN WITH ALL OF THIS CONTROL, GOVERNMENT
more
HAS OFTEN PROVEN TO BE CLUMSY AND INEFFECTIVE IN MEETING
A
MANY OF AMERICA'S MOST SERIOUS PROBLEMS.

IN FACT, THE RISING COST AND CONTROL OF GOVERNMENT
HAS ITSELF BECOME ONE OF AMERICA'S MOST SERIOUS PROBLEMS ~~//~~
AND I HAVE BEEN WORKING TO SOLVE THAT PROBLEM FOR A LONG,
LONG TIME, *in The Congress, & in the White House.*

GOVERNMENT COSTS HAVE ADDED TO INFLATION
AND REDUCED THE INVESTMENT AND PURCHASING POWER OF
BUSINESSMEN AND INDIVIDUALS.

GOVERNMENT HAS DEVELOPED AN INSATIABLE APPETITE
FOR PAPER AND RED TAPE, AND IT IS CHOKING THE LIFE OUT OF
FREE ENTERPRISE AND INDIVIDUAL INITIATIVE IN AMERICA.

GOVERNMENT REPORTING REQUIREMENTS COST

SMALL BUSINESSES IN AMERICA 18 BILLION DOLLARS A YEAR●

WITH TEAMS OF LAWYERS AND ACCOUNTANTS TO HELP,

EXECUTIVES OF LARGE CORPORATIONS MAY BE ABLE TO COPE WITH THESE

REPORTING REQUIREMENTS● ONE OIL COMPANY PAYS 475 PEOPLE

TO WORK FULL-TIME ON PREPARING AND FILING GOVERNMENT REPORTS●

.

BUT SMALL BUSINESS EXECUTIVES MUST DEVOTE

MANY WORKING DAYS FIGURING OUT FOR THEMSELVES WHAT EACH NEW
GOVERNMENT REGULATION MAY MEAN TO THEIR BUSINESSES.

IT'S TIME YOU GOT BACK TO WORKING FOR YOUR CUSTOMERS

INSTEAD OF THE GOVERNMENT. AND IT'S TIME THE GOVERNMENT

MINDED ITS OWN BUSINESS FOR A WHILE, AND LET YOU RUN YOURS.

THE SIMPLE FACT IS THAT THE GOVERNMENT HAS GROWN

TOO LARGE, TOO POWERFUL, TOO COSTLY, TOO REMOTE, AND

YET TOO DEEPLY INVOLVED IN THE DAILY LIVES OF THE AMERICAN PEOPLE.

TODAY, AS PART OF THE BICENTENNIAL SALUTE TO SMALL
BUSINESS, I AM ISSUING A DECLARATION OF INDEPENDENCE FROM THE
NEEDLESS REGULATIONS OF GOVERNMENT, AND I INVITE YOU ALL
TO JOIN ME IN A NEW STRUGGLE FOR FREEDOM IN AMERICA.

IN FACT, THE STRUGGLE HAS ALREADY BEGUN. IN THE
PAST YEAR, WE HAVE ACHIEVED THE MOST SIGNIFICANT REFORM
IN GOVERNMENT REGULATIONS IN THREE DECADES.

AT MY URGING, THE CONGRESS HAS PASSED

SEVERAL IMPORTANT NEW LAWS WHICH BEGIN TO REVERSE THE TREND

OF GROWING GOVERNMENT INTERFERENCE.

WE HAVE OPENED UP COMPETITION IN THE SECURITIES MARKET

FOR THE FIRST TIME SINCE THE MAJOR STOCK EXCHANGES WERE

ESTABLISHED 200 YEARS AGO.

WE HAVE REDUCED THE INTERSTATE COMMERCE COMMISSION'S

REGULATION OF RAILROADS FOR THE FIRST TIME SINCE THE CREATION

OF THE AGENCY IN 1887.

WE HAVE INCREASED CIVIL AND CRIMINAL PENALTIES

FOR ANTI-TRUST VIOLATIONS TO ENSURE THAT COMPETITION CAN FLOURISH,

AND THAT THERE IS STILL FREEDOM IN THE FREE ENTERPRISE SYSTEM.

THE CONGRESS IS NOW CONSIDERING ADDITIONAL LEGISLATION

I HAVE PROPOSED TO REFORM REGULATIONS GOVERNING AIRLINES,

THE MOTOR CARRIER INDUSTRY, AND FINANCIAL INSTITUTIONS●

IN ADDITION TO THESE REGULATORY REFORMS,

I HAVE DIRECTED EVERY AGENCY OF THE FEDERAL GOVERNMENT TO REDUCE
BY AT LEAST TEN PERCENT THE NUMBER OF REPORTING FORMS IT PRODUCES
AND REQUIRES OF THE AMERICAN PEOPLE -- AND I HAVE SET A DEADLINE
OF JULY FIRST. I GOT A PROGRESS REPORT A COUPLE OF DAYS AGO
WHICH SAYS THAT DEADLINE WILL BE MET. BUT THAT IS ONLY
THE BEGINNING OF A PROJECT THAT IS LONG OVERDUE.

I HAVE ALSO MET WITH THE HEADS OF INDEPENDENT
REGULATORY AGENCIES AND ASKED FOR THEIR SUPPORT IN REDUCING
UNNEEDED AND COSTLY DELAYS.

THE RESULTS ARE ALREADY APPARENT:

THE SECURITIES AND EXCHANGE COMMISSION USED TO TAKE
ABOUT A YEAR TO HAND DOWN OPINIONS. IT IS DOWN TO
ABOUT 45 DAYS NOW, AND SOON IT WILL TAKE 30 DAYS.

THE SMALL BUSINESS ADMINISTRATION IS LAUNCHING
A PILOT PROGRAM THAT WILL REDUCE THE PROCESSING TIME FOR
LOAN GUARANTEES FROM A MONTH OR MORE TO JUST 48 HOURS●

THE LABOR DEPARTMENT HAS REDUCED AND SIMPLIFIED
REPORTING REQUIREMENTS FOR SMALL PENSION FUNDS, SAVING THE
SMALL BUSINESSMAN AND THE GOVERNMENT NEARLY ONE BILLION DOLLARS
IN YEARLY COSTS●

A RADIO STATION IN NEW HAMPSHIRE ONCE PAID

26 DOLLARS IN POSTAGE ALONE JUST TO MAIL AN APPLICATION

TO THE FEDERAL COMMUNICATIONS COMMISSION. NOW THAT

APPLICATION HAS BEEN REDUCED TO ONE SHEET OF PAPER.

AND WHILE IT ONCE TOOK SIX TO EIGHT WEEKS TO
GET A LICENSE FROM THE F.C.C. TO USE A CITIZENS BAND RADIO,
TODAY A TEMPORARY LICENSE MAY BE OBTAINED AT THE TIME OF
PURCHASE. I KNOW. I ASKED "FIRST MAMA."

LAST FRIDAY, I CREATED TEMPORARY PRESIDENTIAL
TASK FORCES TO SIMPLIFY AND STREAMLINE GOVERNMENT REGULATIONS,
BEGINNING WITH THE FEDERAL ENERGY ADMINISTRATION AND THE
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION●

THE CONGRESS HAS GIVEN THESE AGENCIES A JOB TO DO,
BUT THEY CAN DO THAT JOB WITHOUT NEEDLESSLY HARASSING
THE AMERICAN BUSINESSMAN -- AND I INTEND TO SEE THAT THEY DO.

IF YOU HAVE ANY GOOD SUGGESTIONS ON HOW TO MAKE
THESE AGENCIES WORK MORE EFFECTIVELY AND MORE EFFICIENTLY,
I WILL CERTAINLY WELCOME YOUR IDEAS.

BUT ALL OF US RECOGNIZE THAT REDUCING PAPERWORK
AND IMPROVING OUR REGULATORY PRACTICES REALLY AMOUNT TO ONLY
TREATING THE SYMPTOMS OF MORE FUNDAMENTAL PROBLEMS●

WE NEED TO STOP JUST SCRATCHING THE SURFACE,
STOP DEALING IN PIECEMEAL APPROACHES, STOP MERELY MOVING
AGENCIES AROUND OR RENAMING THEM, AND FOR A CHANGE,
STOP LONG ENOUGH TO LISTEN TO WHAT AMERICAN BUSINESS AND LABOR
AND CONSUMERS HAVE TO SAY ABOUT THINGS●

WHAT WE NEED NOW IS AN AGENDA FOR ACTION,
A TIMETABLE FOR PROGRESS TOWARD REAL REFORM●

WE CANNOT UNTANGLE FORTY YEARS WORTH OF
BUREAUCRATIC RED TAPE OVERNIGHT, BUT WE CAN AT LEAST
SET THE PROCESS IN MOTION.

BECAUSE OF THE IMPORTANCE WHICH I ATTACH TO THE
SMALL BUSINESS COMMUNITY, AND BECAUSE YOU HAVE SOUGHT THESE
NEEDED REFORMS SO PERSISTENTLY AND VIGOROUSLY, I AM TAKING
THIS OCCASION TO ANNOUNCE THAT TODAY I HAVE SENT TO THE CONGRESS
LEGISLATION WHICH WILL FORCE ACTION ON FUNDAMENTAL REGULATORY
REFORM IN EACH OF THE NEXT FOUR YEARS.●

THIS LEGISLATION WOULD REQUIRE THE PRESIDENT TO ANALYZE
THE BENEFITS AND PROBLEMS OF FEDERAL REGULATIONS, AND TO MAKE
SPECIFIC RECOMMENDATIONS FOR REFORM TO THE CONGRESS●

AND IT WOULD GIVE THE CONGRESS A BINDING OBLIGATION --
AND A SPECIFIC DEADLINE -- TO ACT ON THOSE PROPOSALS●

FOR EXAMPLE, IF THIS LAW WERE IN FORCE TODAY,
AND I RECOMMENDED, AMONG OTHER THINGS, THAT O.S.H.A.
INSPECTORS BE DIRECTED TO GIVE ADVICE AND ASSISTANCE
TO YOUR BUSINESS, RATHER THAN JUST HANDING OUT FINES,
THE CONGRESS COULDN'T BURY THOSE PROPOSALS; AND THEY COULDN'T
JUST TALK THEM TO DEATH. BOTH THE HOUSE AND THE SENATE WOULD BE
REQUIRED TO ACT ON THESE PROPOSALS WITHIN NINE AND A HALF MONTHS.

FURTHERMORE, THE BILL CALLS UPON THE PRESIDENT
TO ASK YOUR ADVICE ON REALISTIC REFORM, AND BECAUSE ACTION
IS ASSURED, IT WILL BE WORTH THE INVESTMENT OF YOUR OWN TIME
AND THOUGHT.

HERE IS THE AGENDA:

IN 1977 WE WILL DEVELOP COMPREHENSIVE REFORM

PROPOSALS IN TRANSPORTATION AND AGRICULTURE; IN 1978,

MINING, HEAVY MANUFACTURING, AND PUBLIC UTILITIES; IN 1979,

LIGHT MANUFACTURING AND CONSTRUCTION; IN 1980, COMMUNICATIONS,

FINANCE, INSURANCE AND OTHER SERVICE INDUSTRIES.

THIS COMPREHENSIVE REVIEW WILL HAVE FOUR MAJOR GOALS●

FIRST, ENSURE THAT GOVERNMENT POLICIES DO NOT INFRINGE
UNNECESSARILY ON INDIVIDUAL CHOICE AND INITIATIVE OR IN THE
FREE MARKETPLACE●

SECOND, FIND BETTER WAYS TO ACHIEVE OUR VALID
ECONOMIC, HEALTH AND SAFETY GOALS AT MINIMAL COSTS●

THIRD, ENSURE THAT GOVERNMENT POLICIES AND PROGRAMS
BENEFIT THE PUBLIC INTEREST RATHER THAN SPECIAL INTERESTS●

AND FOURTH, ASSURE THAT REGULATORY POLICIES ARE
EQUITABLY ENFORCED●

THIS LEGISLATION WAS BORN OF A COMMON CONCERN
FOR REGULATORY REFORM WITHIN THE ADMINISTRATION AND THE
CONGRESS●

SENATORS ROBERT BYRD AND CHARLES PERCY AND
REPRESENTATIVES JOHN ANDERSON AND BARBARA JORDAN HAVE BEEN
IN THE FOREFRONT IN PROPOSING REGULATORY REFORMS, AND I LOOK
FORWARD TO WORKING WITH THEM TO MARSHAL BROAD, BI-PARTISAN
SUPPORT AND SWIFT ENACTMENT OF THIS BILL.

THIS NEW INITIATIVE IS NOT, IN ANY WAY, INTENDED TO
DELAY REFORMS ON WHICH YOU HAVE EVERY RIGHT TO EXPECT
IMMEDIATE ACTION.

MY ADMINISTRATION WILL CONTINUE TO REDUCE
UNNECESSARY AND BURDENSOME REGULATIONS, TO CUT BACK
ON PAPERWORK AND RED TAPE, TO MAKE ADMINISTRATIVE IMPROVEMENTS
WHEREVER POSSIBLE, AND TO GET THE CONGRESS TO ACT ON REFORM
LEGISLATION ALREADY SUBMITTED●

THESE ARE AMBITIOUS PROGRAMS. BUT I AM CERTAIN

THAT IF AMERICA'S THIRD CENTURY IS TO BE THE CENTURY OF THE

INDIVIDUAL, WE MUST TAKE THE FIRST BOLD STEPS TOWARD REDUCING

THE INFLUENCE OF GOVERNMENT IN OUR EVERYDAY LIVES AND

RECLAIMING THE FREEDOM THAT IS OUR GREATEST HERITAGE.

AS THE PROPRIETORS OF SMALL BUSINESS,

YOU POSSESS THOSE TRAITS OF INDIVIDUAL INITIATIVE,

SELF-RELIANCE AND CREATIVITY WE PRIZE SO HIGHLY IN AMERICA.

THOSE TRAITS HAVE ALWAYS BEEN INDISPENSABLE

CHARACTERISTICS OF A FREE AND DYNAMIC AND FORWARD-LOOKING

PEOPLE. I BELIEVE THESE TRAITS ARE STILL THE DOMINANT ONES

IN AMERICA. IF THEY ARE, THEN OUR THIRD CENTURY CAN ONLY BE

GREATER THAN THE TWO GLORIOUS CENTURIES THAT HAVE GONE BEFORE.

THANK YOU VERY MUCH.

END OF TEXT