

FOR RELEASE AT 5:00 PM, EDT

September 18, 1974

Office of the White House Press Secretary

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THE WHITE HOUSE

STATEMENT BY THE PRESIDENT  
ON FEDERAL PAY DEFERRAL

I have labeled inflation fighting as my Number 1 priority. To win will require the cooperation of all branches of Government and all of the American people.

Tomorrow, the Senate will consider a vital part of this effort--my decision to defer a pay increase for Federal employees from October 1974 to January 1975. This deferral will save the American taxpayers \$700 million and will help the Federal Government in its campaign to bring inflation under control.

I realize that I am asking Federal employees to make a sacrifice, but now is the time when all of us must set an example of fiscal restraint for the rest of the nation.

The Senate can do its part, by voting to sustain my action on the 3-month Federal Pay Deferral. I see this vote as the first test of our common effort to put our economic house in order.

This is one of the most significant votes the Congress is being called upon to take in the fight against inflation. I am confident the Senate will act responsibly and in the best interests of all Americans.

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