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JANUARY 4, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I signed into law H.R. 14449, the "Headstart, Economic Opportunity, and Community Partnership Act of 1974," a bill which continues the Community Action Program under a new agency, the Community Services Administration.

Although I have many reservations about features of this bill, I am signing it because the measure is probably the best compromise we can hope to obtain. The deadlock that has continued for several years between the executive branch and the Congress regarding the future of the Community Action Program and the existence of a separate Office of Economic Opportunity had to be broken.

This bill authorizes the transfer of a successor agency into the Department of Health, Education, and Welfare. While I would have preferred to end direct Federal financial assistance to Community Action Agencies, the Congress, in this bill, has taken a significant step in the right direction. It has gradually scaled down the Federal funding for these agencies and included the Community Action Program in the transfer to HEW.

I believe strongly that Federal social and economic assistance programs should be developed and operated with great sensitivity to the needs of the poor. But I also feel strongly that those needs will be better served when programs that benefit the disadvantaged are considered and managed together.

To this end, I have ordered the development of a reorganization plan as authorized by this bill for my review.

I am also considering sending to the Congress proposals that will eliminate unnecessary organizational impediments contained in this measure. These proposals would assure more orderly and efficient management of Federal programs to aid the poor.

Finally, to avoid waste of effort that might occur, I will not seek funding for duplicate program authorities provided in the enrolled bill.

I applaud the efforts of the Congress in helping bring to an end the stalemate over this legislation. I look forward to making these programs an effective part of our overall effort to serve the real needs of the disadvantaged.

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