

JANUARY 30, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

I herewith report on additional rescissions and deferrals for fiscal year 1975, as required by the Congressional Budget and Impoundment Control Act of 1974.

Thirty-five new rescissions and 14 new deferrals are proposed in the amounts of \$1,097 million and \$769 million, respectively. In addition, five revised rescission reports reduce by \$178 million the amounts proposed for rescission in earlier reports, and 12 revised deferral reports increase the amounts reported as deferred in earlier reports by \$111 million.

In the main, the rescissions and deferrals transmitted herein seek to reduce the increased Federal spending that would otherwise result from four recently-enacted 1975 appropriation bills -- Labor-Health, Education, and Welfare, Agriculture-Environmental and Consumer Protection; the First Supplemental; and the Urgent Supplemental. The 93rd Congress, in the conference report on the Labor-HEW bill, indicated its willingness "...to give full consideration to such rescissions and deferrals..." as might be required to keep 1975 spending within the total estimate for the bill.

If the Congress does not agree to the rescissions and deferrals accompanying this message, the 1975 deficit will grow by \$357 million and the 1976 deficit by \$675 million. I ask the 94th Congress to give full consideration to the question of whether increased Federal spending -- with its associated inflationary effects and implied longer-term commitments -- is warranted for these programs at this time.

GERALD R. FORD

THE WHITE HOUSE,
January 30, 1975

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