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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON THE SIGNING OF THE
OF THE BUDGET MESSAGE TO CONGRESS

THE CABINET ROOM

10:04 A.M. EST

Good morning, everybody.

No single act a President can take sets forth our national goals and our national priorities so completely and so clearly as the annual budget message to the Congress. That is why I am particularly pleased to see here this morning so many of you who have worked so long and so hard on this document -- to witness this signing ceremony which is the culmination of these efforts.

Both custom and good manners call for the Chief Executive to seek the cooperation of the Congress -- and to pledge his own -- as he, on this occasion, submits the budget document.

The size of the projected deficit requires me to go far beyond custom and good manners in pledging my utmost cooperation. Together, we must stimulate the economy and reduce the rate of growth at which certain Federal expenditures have been growing in the past ten years.

If these were normal economic times, the Congress would be receiving a budget in balance for the coming fiscal year rather than one with such a large deficit.

But unfortunately, these are not normal times and the measures that I am proposing -- to give the economy a boost with tax rebates and reductions, and to provide greatly expanded assistance to the unemployed -- are responsible for some of the deficit. Lagging receipts from tax revenues contribute to most of the remainder of this deficit.

Without question, our immediate task is the restoration of active growth in our economy -- and that goal is reflected in the projected budget deficit.

To sustain our economic growth over the long haul, we must begin now to set a new course that will bring our future national budgets into balance during periods of good economic growth.

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Although this budget carries with it a \$52 billion deficit, this amount will be even larger if the Congress fails to go along with the reductions totaling \$17 billion which I have requested. If we are to achieve long-range economic stability in America, free from ever-rising inflation, we must put into effect permanent reductions in program expenditures.

As I said at the press briefing on the budget last Saturday, it has become a commonly accepted view that some Government expenditures are uncontrollable -- that they will continue whether we like it or not. I firmly reject that view. They are controllable if the Congress and the President join together to hold down excessive spending. This budget is carefully designed to bring some of these so-called "uncontrollables" back into line. I ask the Congress to work with me to achieve that result.

Even with the steps I have proposed to return fiscal integrity, this budget continues the steady and sharp annual increase in Government payments to individuals -- to those Americans who need help most from their Government.

These payments will increase by \$15 billion in fiscal year 1976 over 1975; from \$137 billion to \$152 billion. These payments include increased amounts for Social Security, welfare, unemployment compensation and retirement payments. Such payments to individuals have increased steadily as a percentage of the total budget until they now account for more than 40 percent of Government spending.

Despite the huge deficit that we project, the budget being submitted today is a compassionate one. It has muscle as well. It has discipline and honest self-denial. It is a start in a new direction along the permanent road of fiscal integrity which Americans must achieve for the long-term economic good of our country.

I am pleased that Roy Ash, and some of his staff from the Office of Management and Budget, could be here today -- because Roy is shortly returning to private life.

Like the good soldier he is, Roy stayed on to finish the job that he began in putting this budget together. He stuck to it until the last comma and the final period were in place.

Roy may be one of the most unappreciated men in Washington -- but not by me. I will miss his "tough" instincts and sound counsel.

Jim Lynn will be taking over a tight ship from Roy, and I look to him to enhance further the capability of solid management so necessary to that office.

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At times like this, a simple "thanks" may sound inadequate. But the dictionary defines the term as an expression of gratitude and appreciation. And that is what this Administration -- and this President -- owe to Roy Ash.

Roy, I hate to see you go, but I must warn you: I have your unlisted telephone number in Los Angeles.

So, with those observations and comments, I will sign the two budget documents that go to the Congress. I can't help but ask the question: Roy, why didn't we send one up there with the same red color that we have on the other one?

A left-hander may not look good signing documents, but I couldn't help but appreciate those two left-handed tennis players yesterday.

There is the bad news but also, if followed by the Congress, will be good news. So, Roy, let me give to you and to the people that I have worked with, and you have to a greater extent, a pen that is part of the operation in this final one.

This is for Paul O'Neill and the others.

Thank you very much. Thank you again for all of the help and assistance.

Now, I know there are others besides the six or seven of you that have done some work on this. This is for all of you as well as Roy and the others, and we will try to have a better one next year, but this one is the best, I think, that we could possibly do under the economic circumstances and the facts of life and I thank you again, Roy.

END

(AT 10:16 A.M. EST)