

FOR RELEASE UPON DELIVERY

SEPTEMBER 5, 1975

Office of the Vice President
Rochester, New York

REMARKS OF THE VICE PRESIDENT
AT THE
MONROE COUNTY SAVINGS BOND KICK-OFF LUNCHEON
U.S. CHAMBER OF COMMERCE
ROCHESTER, N.Y.

SEPTEMBER 5, 1975

I can't imagine a better place to kick-off any kind of a drive than here in Rochester. I was nominated and kicked off my campaigns for Governor in this proud city not once but twice. Believe me, the results were very satisfying. I am sure, because of the leadership gathered in this room, that you are going to be pleased with the outcome of this U.S. Savings Bonds Drive.

I always find it inspiring that whenever something extra and something worthwhile needs to be done in a community, it is always the busiest members who come forward and take on the added burden. That has happened again today here in Monroe County. I could begin the list of such people with Dave Kearns of Xerox -- and keep right on going. Dave has done a superb job of lending his formidable leadership talents to this campaign. And he has acted as a magnet in attracting the ablest people in the community to your bond drive. I congratulate you all.

And now I would like to say a word about the product you are promoting. What you are selling has particular appeal to the American people and the American Nation -- personal security for families and financial stability for the United States. U.S. Savings Bonds help promote both objectives.

In light of the Country's current economic goals, let us see where savings bonds fit in. This is especially important to understand since one such objective is to revitalize the economy through increased consumer spending.

The Federal government, quite frankly, continues to depend on savings bonds as a source of stable, non-inflationary savings funds. As of this moment, the cash value of outstanding series E and H bonds and Freedom Shares is \$66.5 billion -- an all-time peak. These bonds amount to a significant 22 per cent of the privately held portion of the national debt. And these funds are important in managing that debt. Even with their shorter initial maturities, savings bonds constitute a stable portion of the total national debt.

There is some feeling that Savings Bonds are cashed in soon after they are bought. This is completely contrary to the facts. On the average, savings bonds are not redeemed in less than five years. This is considerably longer than the average maturity of the Treasury Department's marketable issues. People also hold onto their savings bonds longer in comparison to deposits with savings banks, savings and loan associations and commercial banks. So rest assured, these funds continue to be an important tool in management of the Federal government's finances.

Now, let us take a look at savings bonds from the buyers standpoint. Thrift is a virtue long ingrained in the American character. Ben Franklin celebrated its value long ago in the pages of Poor Richard's Almanac. I remember, as a boy, my weekly allowance was 25 cents. And I had to save a portion of it every week.

more

Whatever, the economics of the moment, the habit of thrift needs to be nourished and sustained. And for millions of Americans, for over a generation, savings bonds have become their thrift habit. And why not. They now pay a good six per cent return when held to maturity. They are as secure as Fort Knox. So you have a product with considerable and continuing consumer appeal.

As you go about promoting payroll savings and the Bond a Month plan you are operating as part of a vigorous nationwide drive. Our good friend Gabe Hauge is serving as the 1975 Committee Chairman. With his usual energy and drive, Gabe has already visited 18 cities and traveled 13,800 miles in spearheading this campaign. Between his national leadership and your brand of local leadership, the drive is going to succeed. In fact, the 1975 campaign is on target. Sales of E and H bonds are currently exceeding \$4.25 billion -- and E bond sales for July set a 30-year record.

New York is doing beautifully, too. In the first six months of this year, the State reached 51.4 per cent of its annual quota. And State sales are presently running 5 per cent ahead of last year. You can take enormous personal satisfaction in making this campaign a success. The beneficiaries are going to be the individuals and families who buy these bonds -- and the Nation that offers them.

You are selling a stake in this Country. And that has to be the soundest equity in any American's portfolio.