

EMBARGOED FOR RELEASE  
UNTIL 6:00 a.m., TUESDAY,  
MARCH 9, 1976

MARCH 8, 1976

Office of the White House Press Secretary

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THE WHITE HOUSE

TEXT OF REMARKS BY THE PRESIDENT  
TO BE DELIVERED AT THE  
57TH ANNUAL CONVENTION OF THE ASSOCIATED GENERAL  
CONTRACTORS OF AMERICA

INTERNATIONAL BALLROOM  
WASHINGTON HILTON HOTEL

MARCH 9, 1976

It is a very great pleasure for me to address the 57th National Convention of the Associated General Contractors of America.

The theme of this convention -- "Building America in the Spirit of '76" -- is a fitting theme for our Bicentennial year.

You point with pride to the fact that an early forerunner of this organization built Carpenters Hall in Philadelphia, where patriots met at the First Continental Congress and planted the seeds of the greatest Nation in the history of the world. Your history, your progress, your prosperity, and even your hard times, have been closely linked with America's own. As the president of this association, J.N. Matich, has said, you prosper only if the entire economy in which you operate is healthy. In the recent past, America's economic health has not been very good. The construction industry has been especially hard-hit by the worst economic recession America has suffered in 40 years.

But there can now be no doubt that our national economy is rebounding in a strong and solid and very encouraging way. Every week, we are hearing more and more good economic news. Unemployment, surely one of the strongest and stubbornest of all our economic enemies, has been reduced from a high point of 8.9 percent nationwide last May to the current rate of 7.6 percent. The January unemployment figures showed the biggest monthly improvement in more than 16 years. Some called it a fluke; I called it progress, and the unemployment figures for February proved me right. For the last four months, we've been winning the battles against unemployment, and we're not going to stop until we win the war. The economic statistics for February also showed that we have recovered 100 percent of the jobs America lost during the recession. This is real, undeniable progress. But we are not satisfied, and we will not be satisfied until every American who wants a job can find a job, and we have full employment in America.

We are waging war on other economic enemies, as well. Inflation, the cruelest, most deceitful, and most pervasive tax of all, has been cut almost in half since December of 1974. That's still not good enough, but we will do better and better in the months ahead. I will keep the pressure on until inflation is no longer a threat to our savings, our paychecks, and our economic future. For the last ten years, Federal spending has been increasing at a rate of 10 percent a year. In my budget for fiscal 1977, I cut that rate of growth in half. Since becoming President, I have vetoed 46 bills -- including one of particular interest to you. Thirty-nine of those vetoes were sustained, and those vetoes will save the American taxpayer \$13 billion.

(MORE)

If we can keep that kind of pressure on, and hold the spending down, we can do three things that really ought to be done:

-- We can balance the Federal budget by fiscal year 1979;

-- We can cut taxes again;

-- And we can get the government out of competition with you in the private money market, and that's exactly what I plan to do. There is even more good economic news. The Commerce Department recently announced that the index of leading economic indicators rose by 2.2 percent in January -- the largest gain in six months. That index showed improvement in nine out of 11 components of our economy. Just last week, it was announced that new factory orders in January totaled \$88.4 billion, and new orders for durable goods increased by a very strong 2.2 percent over the previous month. Real earnings for the average American have increased significantly in recent months, and wholesale prices are actually going down. The index of consumer confidence is double what it was a year ago. And the list goes on and on. It's easy to get lost in a sea of statistics when we talk about economics. But let me assure you of one thing: these figures are not political fiction; they are economic facts. And they are pointing us on the road to a new prosperity in the United States of America. Some people -- especially some politicians -- may deny it, because the prospect of prosperity in 1976 didn't fit into their plans this year.

They may continue to deny it, with every new announcement of economic progress, and criticize the policies we have followed to work our way out of this recession. But as Winston Churchill once said, "I do not resent criticism, even when for the sake of emphasis, it parts for a time with reality."

We have a lot farther to go, but there can no longer be any doubt that America's economic recovery is real, it is strong, and we intend to make it permanent. We are entering our Bicentennial year with more cause for hope, more reasonable expectations of progress, than even the optimists would have dared to imagine just a few short months ago.

The forecasts of doom and gloom, each more dire and desperate than the last, were wrong once again. The false prophets among us once again underestimated the courage and the determination and the ingenuity and the indomitable spirit of the American people. I have never underestimated the American people, and I never will.

The American people did not panic in the face of adversity, and the American private enterprise system did not fail to respond to one of its greatest and most complex challenges. Through the common-sense steps I initiated -- tax cuts for individuals, tax incentives for business expansion and job production, and extended assistance for those Americans hardest hit by our national adversity -- we are working our way out of the worst recession in 40 years.

And we did it without resorting to wage and price controls, massive new spending programs, or any other of the so-called "cures" that the patient might not have survived. Unfortunately, the construction industry has not shared fully in the recovery we are experiencing nationwide. Unemployment in your industry remains too high, and the volume of your business activity remains too low. Within the constraints of Federal fiscal responsibility, I am doing everything practical and possible to help your industry restore its economic health.

In my budget for fiscal 1977, I have proposed that the Federal Government spend more than \$21 billion for construction of highways, hospitals, schools, water and sewer treatment plants, mass transit facilities, libraries, dams, buildings and other major construction projects. That's an increase of more than \$3 billion over the budget for fiscal 1976. In my State of the Union address, I proposed an accelerated depreciation allowance for new job-creating construction and expansion in those areas of the country with the highest levels of unemployment. If the Congress will act, we can get that program going this year, and get your industry going along with it.

In the 1977 budget, I have proposed a 30% increase for energy research and development, over last year. Over 100 new nuclear plants and about two hundred coal-fired power plants could be built by 1985. We will also have to construct several synthetic fuel plants, develop hundreds of new coal mines, many new refineries, and thousands of oil wells. But they won't be developed unless we remove the impediments now in their way.

I have proposed numerous major legislative measures designed to help speed up our energy development. If the Congress will use a little of its own energy, we have the programs and the resources to make America energy-independent.

This national energy effort can do so much for our country. It can create hundreds of thousands of jobs, generate extraordinary expansion and growth for our economy, and help make certain that America will enjoy its third century of independence truly independent of foreign domination and control. Our energy situation is still too fragile, our dependence still too great, for us to forget the the lessons of recent years so quickly.

Energy independence must not lose its place in the American people's list of concerns. It must have a high rank in our national priorities, and in this Administration, it does. In the field of energy, and in so many other fields of enterprise and endeavor, we can truly build a better America in the spirit of '76 -- a spirit that calls forth the courage, the compassion, the common sense and the capacity for hard work that Americans have demonstrated for the past 200 years.

We can rebuild and revitalize America's cities, not by government action alone, but through the imaginative and cooperative efforts of both the public and private sectors. We can make our cities safe, enjoyable, comfortable, workable, and governable again.

We can protect our environment better -- and at the same time we can make sure that extreme environmental demands and endless environmental delays do not make progress impossible in America. We can make government a responsible, capable servant of the people and a powerful instrument of progress, without letting the government enslave us with endless rolls of red tape and regulation. We can do all of this, and more, because we have the will and the courage and the resources and the imagination to do it.

We can build a better America -- a stronger, wealthier, safer, healthier, happier America -- an America we can be proud to leave to our children.

Let us work together to reach that goal together, and let us celebrate this Bicentennial year with hope, with pride, with increasing prosperity, and with confidence in a promising future.

Thank you very much.

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