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INTELLIGENCE

--Overview--

Information acquired by intelligence gathering sources is a fundamental component in the formulation of the foreign policy of the United States. A major objective of that policy is to provide for national security, which in the 70's requires preparation against economic reprisal and international terrorism as well as the threat of military action. Achieving this objective requires effective and responsible, covert intelligence operations to secure the necessary information.

The disclosure of past abuses in intelligence gathering activities carried on by previous administrations and the recent unauthorized disclosures of sensitive intelligence information have led to calls for changes in the operation of foreign intelligence gathering agencies. President Ford has taken unprecedented affirmative action in response to this need to strengthen--as well as to limit--agency activity. In February 1976, the President issued an Executive Order which detailed a comprehensive plan:

- * Specifying the responsibilities, and
- * Defining the scope of activity of the various members of the intelligence gathering community.

Implementation of the provisions of the Order will:

- * Minimize inefficiency and repetition of agency effort, and
- * Maximize accountability for supervision of agency activity and prevention of abuse of power.

The President has stated that his plan has two basic objectives:

"First to ensure that we have the best possible information on which to base our policies toward other nations;--And second, to ensure that our foreign intelligence agencies do not infringe on the rights of American citizens."

President Ford strongly believes that while controls may be necessary to prevent abuse, an effective program for intelligence gathering is vital to the national interest. In his State of Union message the President said:



"The crippling of our foreign intelligence services increases the danger of American involvement in direct armed conflict. Our adversaries are encouraged to attempt new adventures while our own ability to monitor events and to influence events short of military action is undermined."

Major Reforms

To implement an effective intelligence program which respects individual rights, President Ford's Executive Order:

- * Defines the scope of authority and the duties of the senior officials of the intelligence community, the CIA, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense and the FBI.
- * Establishes strict guidelines on collection of intelligence by foreign intelligence agencies to prevent abuses through the use of electronic surveillance, unconsented physical searches, illegal invasion of the mail, and the unauthorized examination of Federal tax returns.
- * Restricts the use of drugs for experimentation on human subjects by foreign intelligence agencies.
- * Curtails CIA activity in private business or academic institutions without the prior knowledge of senior officials of those bodies.
- * Emphasizes the need for prompt declassification of classified material where possible.
- * Confines the FBI to use of electronic surveillance authorized by the President and specifically approved by the Attorney General.
- * Prohibits U.S. Government employees from engaging in or conspiring to engage in political assassination.
- * Establishes the Intelligence Oversight Board, a body of private citizens appointed by the President to review activities of questionable legality and to review guidelines to prevent abuse.



- * Provides for disciplinary and/or legal action to be taken against those who disclose or threaten to disclose classified intelligence information.

Oversight

Prevention of abuse demands that independent oversight be an integral part of a national intelligence scheme. The President established the Intelligence Oversight Board and enlarged the Foreign Intelligence Advisory Board to meet the needs of effective oversight. The President has charged the Oversight Board:

"...to act as an independent auditor on what takes place within the intelligence community. You are not to be influenced by the White House on the one hand, and you are not to be influenced by the intelligence community on the other, and your responsibility is an independent area of responsibility."

The Foreign Intelligence Advisory Board, established by President Eisenhower and recently enlarged by President Ford, functions as a non-partisan body to advise the President on the effectiveness of foreign intelligence efforts.

One of the most important features of these oversight bodies is that they are composed of private citizens from outside the Government. Such public participation broadens the perspective needed for responsible intelligence gathering.

President Ford recognizes the need for Congressional support to implement certain procedures for intelligence gathering. He has proposed legislation to define the circumstances under which the use of electronic surveillance to obtain foreign intelligence information will be appropriate.

The President also respects the appropriateness of Congressional oversight. He has stated:

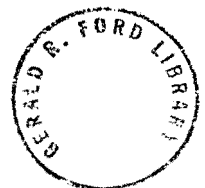
"It is clearly the business of the Congress to organize itself to deal with these matters... I believe good Congressional oversight is essential so that the Congress and the American people whom you represent can be assured that the foreign intelligence agencies are adhering to the law in all of their activities."



The problem of leaks of sensitive intelligence information from Congressional sources to the public has threatened the cooperation established between the Executive and the Congress to operate an effective intelligence program. The President has made two recommendations to Congress to restore confidence and mutual trust between these two branches of the government:

- * Congress should "establish a Joint Foreign Intelligence Oversight Committee...(to) facilitate the efforts of the Administration to keep the Congress fully informed of foreign intelligence activities."
- * The House and the Senate need to "...establish firm rules to ensure that foreign intelligence secrets will not be improperly disclosed" and to establish "...effective measures to deal with unauthorized disclosure."

No other administration in recent times has responsibly acknowledged the shortcomings of intelligence operations and has equally as responsibly met the challenge to set specific guidelines to restore public confidence in this much-needed activity. The program outlined by President Ford is an historic and purposeful effort to make the government and its vital intelligence activities responsible to the needs of the American people.



NATIVE AMERICANS

"The Federal Government has a very unique relationship with you and your people. It is a relationship of a legal trust and a high moral responsibility. That relationship is rooted deep in history, but it is fed today by our concern that the Indian people should enjoy the same opportunities as other Americans, while maintaining the culture and the traditions that you rightly prize as your heritage."

Remarks of the President
to American Indian Leaders
At the White House
July 16, 1976

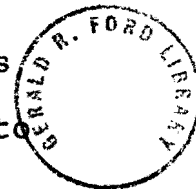
The 1970's have seen a new direction in Indian affairs. In the last century, Federal policy has vacillated between paternalism and gross neglect. President Ford has vigorously opposed both extremes. During his Congressional career and his two years as President, he has worked for a stable policy of self-determination without termination so that American Indians and Indian leaders can plan and work confidently for the future.

With that foundation, the choices available to Native Americans can be greatly broadened, while maintaining the tribal structure, a proven efficient and cohesive local unit. As President Ford said in an address to Indian leaders in the East Room of the White House on July 16, 1976:

"We can build on that foundation to improve the opportunities available to American Indians, and at the same time, make it possible for them to live as they choose within their tribal structure... We have already begun to build... I wholeheartedly and unequivocally pledge our cooperation in working with you to improve the quality of Indian life with soundly managed programs and a stable policy."

The President's record consists neither of vague promises nor broad generalizations; it consists of performance and specifics; President Ford has backed up his policies with money.

- * The Bureau of Indian Affairs has been transformed from a non-Indian organization, providing services and running programs, to a predominantly Indian organization which works with Indian communities to help meet their programs and service needs. New Indian service sections have been established in



Federal agencies including HEW, HUD, Commerce, Agriculture, Labor and Justice and in the White House itself.

- * Since 1970 the budget of the Bureau of Indian Affairs has been increased by almost 300 percent and the Indian health budget has grown by almost 400 percent.
- * The Indian Financing Act is now being implemented and has had a marked effect on economic development on the reservations. Revenue Sharing monies reach Indian tribal governments directly.
- * The Department of Commerce is targeting \$27.7 million for Indian economic planning and economic development in 1977.
- * The Comprehensive Employment and Training Act, administered by the Department of Labor, allocates significant funds to Native Americans. Before CETA was enacted in FY 1973, manpower allocations for Indians totaled \$17.3 million; today Indian manpower funds total \$75 million, including \$52.6 million going directly to 157 Indian prime sponsors.
- * The Office of Education's special funds for Indian education have risen from \$18 million in FY 1973 to \$42 million today.
- * Federal grants now help more than 16,000 Indian students attend colleges and universities, only part of the enormous surge in Indian education these past several years.
- * Funds under the National Indian Education Act have now reached 1,200 school districts and 235 grantees.
- * President Ford has directed the Departments of Interior and Justice to give high priority to the protection of Indian natural resources rights, especially water rights. The Administration has won milestone decisions for Indian rights in a number of these proceedings.
- * The erosion of the tribal land base has been halted, and restorations have been made of Blue Lake and Mt. Adams lands and of the Menominee Reservation, while the historic Alaska Native Claims Settlement Act has become law.



- * Due to Administration efforts, an Indian resource section has been established in the Department of Justice whose sole responsibility is litigation on behalf of Indian tribes to protect their natural resources and their jurisdictional rights.
- * The President intends that the one and one half billion dollars spent annually on Indian programs and services will be spent efficiently, with cooperation and without duplication.
- * The President has just signed the Indian Health Care Improvement Act which authorizes needed additional funds for Indian health manpower services and facilities.
- * In signing the Proclamation for Native Americans Awareness Week in Oklahoma last October 8, the President said:

"There are about one million American Indian citizens, and some may say this is a very small minority. I count American Indian People, however, not in numbers but in the honored place that they hold in our multi-cultured society and in the future of our nation.

"The 215 million of us are keenly concerned with the one million. The welfare and the progress of native Americans is high on the agenda of the American conscience.

"My Administration is equally determined that history is going to continue to be changed, that the Indian shall no longer be lowest in poverty and slimmest in opportunity, and we are making those changes now.

"I sign this Proclamation as a signal of that determination and as an invitation to all of my fellow citizens to reaffirms that our first Americans are among America's most respected and honored citizens."



OLDER AMERICANS

--Overview--

In a recent special message to Congress, President Ford reaffirmed his commitment to meeting the needs of older Americans, and to draw on their strengths in resolving the problems of America. He asked Congress to:

"...help our nation demonstrate by its deeds a deep concern for the dignity and worth of our older persons. By doing so, our nation will continue to benefit from the contributions that older persons can make to the strengthening of their nation."

President Ford noted that the single greatest threat to the quality of life of older Americans is inflation. His first economic priority has been to fight inflation -- and his programs have cut nearly in half the double digit inflation experienced in 1974. But, he said,

"...the retired, living on fixed incomes, have been particularly hard hit, and the progress we have made... has not benefitted them enough."

To meet this problem, the President included in his budget request for fiscal year 1977, a full cost of living increase in Social Security benefits, that will help bolster the purchasing power of 32 million older Americans. Because the President is determined that the Social Security system must remain fiscally sound, he has also requested legislation to increase payroll taxes by three-tenths of one percent for employees and employers so that payments will not exceed revenues.

In a major new program to alleviate the burden of catastrophic illness, President Ford has proposed:

- * Extending Medicare benefits by providing coverage for unlimited days of hospital and skilled nursing facility care for beneficiaries, and
- * Limiting the out-of-pocket expenses of beneficiaries for covered services, to \$500 per year for hospital and skilled nursing services, and \$250 per year for physical and other non-institutional medical services.



Millions of older persons, he said, live in fear of being stricken by an illness that will call for expensive hospital and medical care over a long period of time.

"Most often they do not have the resources to pay the bills... We have been talking about this problem for many years. We have it within our power to act now so that today's older persons will not be forced to live under this kind of a shadow."

These actions are only the most recent of many taken by the Ford Administration to help older Americans. Over the last year and a half -- from the first days of his Administration, President Ford:

- * Signed a \$22.8 billion anti-recession tax-cut bill that included payment of \$50 each to some 34 million individuals receiving Social Security, Railroad Retirement, and Supplemental Security Income benefits -- many older persons were also benefited by extension of unemployment compensation benefits, tax rebates, and 1975 tax reductions. Families caring for elderly persons were benefitted by a liberalization of the tax deduction rules.
- * Signed into law the Employee Retirement Income Security Act, providing new protections and guarantees to 35 million persons covered by private employee benefit plans, including provision for greater equity in tax treatment of private retirement savings, and insuring that participants do not lose benefits because of restrictive eligibility provisions or because the plan did not accumulate sufficient funds to meet its obligations.
- * Signed the Housing and Community Development Act of 1974, which, among other things, provides for subsidized housing for low-income renters and authorizes direct, low-interest loans for housing for the elderly.



* Signed into law Title XX of the Social Security Act which provides 2.5 billion dollars to the states for social services.

Under Title XX older persons will receive increased services, planned and implemented by state and local governments -- needs and services determined not in Washington but at the local level, with the participation of the older Americans who will receive the services. And lastly, under President Ford's new Title XX proposal, states would no longer be required to give the federal government money in order to obtain federal monies in return.

President Ford has supported the concept of the Older Americans Act since its inception in 1965. This past November the President strengthened the Act when he signed into law amendments creating new services and goals. Under President Ford's Administration -- \$272 million -- almost seven times the amount available three years earlier-- went to this program. Through the Administration on Aging, created by this Act, a national network on aging composed of state, area and nutrition agencies has been established. As an example of what the Act does, nutrition agencies serve older persons over 300,000 hot meals a day, five days a week at 5,000 locations. This network helps older people to:

- * Know what resources are available
- * Secure services enabling them to live in their own homes.
- * Meet their needs for transportation
- * Provide for the weatherization of their homes.
- * Obtain legal services
- * Continue to be involved by serving in full-time, part-time and volunteer positions serving the community.
- * Cope with housing problems
- * Have a meaningful voice in setting priorities for meeting their needs at the local level.



And, in developing health care for elderly Americans, the President has directed his Administration to develop programs that will lead to better use of present and potential resources for delivery of services to the elderly with the goal of improving health and quality of life. Actions in this area include:

- * Research at the National Institute on Aging into the physical effects of aging and into the effects of the physical and social environment on the aging process.
- * Collection of information on nursing homes nationally to recommend sound policies to improve and rate quality of long-term care for the elderly.
- * Development of a national rating system for nursing homes receiving Medicaid and Medicare funds.

President Ford's commitment both to resolving the problems of older Americans -- and in using their talents -- is great. A statement from his February 9, 1976 message to Congress reflects his beliefs:

"Today's older persons have made invaluable contributions to the strengthening of our nation. They have provided the nation with a vision and strength that has resulted in unprecedented advancements in all of the areas of our life. Our national moral strength is due in no small part to the significance of their contributions."



PRIVACY-Overview-

In his very first speech before the Congress on August 12, 1974, President Ford told the American people of his strong belief in the rights of privacy:

"There will be no illegal tappings (taping), eavesdropping, buggings, or break-ins by my Administration. There will be hot pursuit of tough laws to prevent illegal invasion of privacy in both government and private activities. . ."

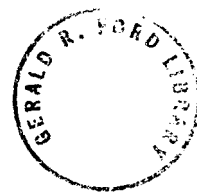
The President, in stating his belief and support for the right of privacy, was following up on the commitment he had made earlier as Vice President, when he chaired the Domestic Council Committee on the Right of Privacy. On December 31, 1974, President Ford carried out his earlier promise, when he signed the Privacy Act of 1974 -- landmark legislation, which came about as a result of his leadership and the cooperative efforts of the Congress, Executive Branch, Federal agencies, and his Domestic Council Committee.

The Privacy Act gives Americans a greater say in the way records about them are kept -- and it eliminates needless intrusions on personal privacy through the keeping of extraneous records. This Act has four key purposes. It assures that:

- * There are no Federal government personal record-keeping systems whose very existence is secret.
- * Federal personal information files are limited to those which are clearly necessary.
- * Individuals have an opportunity to see what information about them is kept and to challenge its accuracy.
- * Personal information collected for one purpose will not be used for another purpose without the consent of the individual.

The President has kept his promise -- he has exerted strong leadership and, with the cooperation he fostered under this leadership, put into effect strong legislation to protect the privacy of the American people.





REGULATORY REFORM--Overview--

"A necessary condition of a healthy economy is freedom from the petty tyranny of massive government regulation. We are wasting literally millions of working hours costing billion of consumer's dollars because of bureaucratic red tape."

President Gerald R. Ford
State of The Union Message, 1976

One of the major goals President Ford has set for his administration is to cut big government down to size, . . . to make it more manageable, more responsive, more efficient, and less costly."

The President has been particularly concerned over the need for reform of regulatory agencies which over the years have intruded to an increasing degree into the lives of the individual and of businessmen. There are now more than 5100 Federal forms that have to be filled out by individuals and businesses at all levels, from the small businessman to the large corporation. President Ford has said that:

". . . Although most of today's regulations affecting business are well-intentioned, their effect, whether designed to protect the environment or the consumer, often does more harm than good. They can stifle the growth of our standard of living and contribute to inflation..."

There are four principle objectives of President Ford's regulatory reform program which can be summarized as follows:

1. To benefit consumers by encouraging increased competition;
2. To increase understanding of the costs of regulations;
3. To improve methods of achieving the objectives of regulation;
4. And, to substitute increased antitrust enforcement for administrative regulation.



To reform regulation of the transportation industry, President Ford's Administration developed landmark legislative proposals:

- * The Aviation Act of 1975, submitted in October 1975, will improve the airline regulatory environment by fostering price competition and by allowing existing airlines to serve new markets and new carriers to enter the industry.
- * The Motor Carrier Reform Act, introduced in November, 1975, will increase competition in the motor carrier industry and provide shippers and consumers with a wider range of services and prices.
- * The Railroad Revitalization and Regulatory Act of 1976, which President Ford submitted in May 1975 and signed this February, provides long overdue regulatory reform, making it possible to reorganize the bankrupt Northeast and Midwest railroads; and the act authorizes necessary financial assistance for upgrading rail facilities.

Other Administration legislative initiatives have been passed by the Congress and signed by the President:

- * Fair Trade Laws. The repeal of these laws, which allowed manufacturers to dictate the retail price for their products, can save consumers an estimated \$2 billion per year.
- * Securities. President Ford signed the Securities Act Amendments of 1975 last June, to promote competition among stockbrokers and to establish a national stock market system.

To assist him in carrying out his regulatory reforms, President Ford has already appointed new chairmen for ten of the twelve independent and regulatory agencies -- Civil Aeronautics Board, Federal Trade Commission, Equal Employment Opportunity Commission, Federal Maritime Commission, National Labor Relations Board, the Securities and Exchange Commission, the Consumer Product Safety Commission, The Federal Home Loan Bank Board, the Federal Trade Commission and the Nuclear Regulatory Commission, charging each with the task of revitalizing and modernizing the procedures of their agencies.



In October 1974, President Ford initiated his reform program by asking Congress to sponsor jointly a National Commission on Regulatory Reform to study the problems of Government regulation; but so far, the Congress has taken no action. The President knows that the nation can't wait for the Congress to move, so he has undertaken his own independent actions. Since taking office, President Ford has:

- * Met with Commissioners of the 10 independent regulatory agencies, directing them to improve regulatory procedures through the use of improved cost-benefit analysis of regulations, to reduce delays and backlogs in the regulatory process, to become more responsive to consumer interests, and to eliminate unnecessary regulations.
- * Created a White House Domestic Council Review Group on Regulatory Reform to work with the Congress and the regulatory agencies to assess the impact of Federal regulations on individuals, consumer prices and inflation, and on the efficiency of the market place.
- * Directed executive branch departments and agencies of the Federal government to evaluate the inflationary impact of major proposed legislation, rules and regulations.
- * Initiated a major program to modernize Federal economic regulation of U.S. transportation. These proposals -- The Aviation Act of 1975, the Motor Carrier Reform Act, and the Railroad Revitalization Act -- are designed to eliminate antiquated regulations, improve customer service, and increase competition in those industries.
- * Established the Commission on Federal Paperwork to assess the impact of Government reporting requirements on businesses and individuals. To assure action in the short-run, the Administration is working now to eliminate unnecessary Government paperwork requirements.
- * Submitted, last March, the Financial Institutions Act which will enable small savers to earn higher interest on savings accounts and provide more diversified financial services to all customers.



REVENUE SHARING-- Overview --

President Ford believes that the General Revenue Sharing program, initiated in 1972, has been a resounding success, as it supports and embodies his belief in the concept of Federalism -- that unique aspect of the American system which permits and promotes creativity and freedom of action simultaneously at three levels of government. He has said that "Federalism enables our people to approach their problems through the governments closest to them, rather than looking to an all-powerful central bureaucracy for every answer."

General Revenue Sharing is an effective, efficient and equitable program providing general purpose fiscal assistance to the States and units of local government. For this reason, President Ford sent to the Congress for action the State and Fiscal Assistance Act Amendments of 1975 which authorize the extension and revision of General Revenue Sharing. The principal elements of the renewal legislation that he has proposed include:

- * Retention of the basic revenue sharing formula now in use.
- * Authorization of funds for another five and three-quarters years.
- * Continuation of the current level and method of funding, with annual increases of \$150 million.
- * Increased public participation in determining the use of shared revenues.
- * Improved enforcement of the civil rights provisions to insure that revenue sharing funds are not used in a discriminatory manner.

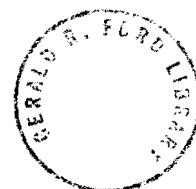
The President again strongly urged passage of this legislation in his State of the Union message of January 19, 1976:

"Last year I strongly recommended a five-year extension of the existing revenue sharing legislation which thus far has provided \$19 billion to help State and local units of government solve problems at home. This program has been effective with decision making transferred from the Federal government to locally elected officials. Congress must act this year or State and local units of government will have to drop programs or raise local taxes."



In the same effort to return decision making to the local control, President Ford has recommended the consolidation of some 59 Federal programs and the provision of flexible Federal dollar grants to help states, cities, and local agencies in such important areas as health, education, child nutrition, and social services:

"This flexible system will do the job better and do it closer to home."



SMALL BUSINESS--Overview--

President Ford believes the small business sector of our strong economy is vital to job creation, competition and technological innovation.

The small business sector of the United States includes nearly 10 million enterprises, employs 58 percent of the private labor force, produces approximately 48 percent of the gross business product, and provides a livelihood for 100 million Americans.

To strengthen this vital part of our economy, President Ford has:

- * Cut by 12 percent the number of forms required by Federal reports, thereby reducing the paper-work burden on America's businessmen and businesswomen, and eliminating untold millions of dollars spent by the Federal agencies just for reading, handling, and filing them.
- * Proposed reducing the maximum corporate tax rate and making permanent the currently temporary exemption on the first \$50,000 of income. If approved, these tax cuts will affect thousands of small firms and help generate thousands of more jobs.
- * Proposed a change in the Federal estate tax laws to make it easier to continue the family ownership of a small farm or business. The proposed changes would stretch out the estate tax payment period so that Federal estate taxes could be paid out of the income of the farm or business. No payment would be required for five years. Twenty years would be allowed for full payment of estate taxes at a 4 percent interest rate. This reform would help insure the survival of smaller farms and businesses for future generations and allow them to expand their current operations.
- * In addition, the President has proposed eliminating the 50 percent marital deduction on estate taxes, so that 100 percent of an estate could be transferred tax free to a surviving spouse. He also has proposed an increase in the estate tax exemption from \$60,000 to \$150,000.



- * Proposed a 33 1/3 increase in the Small Business Administration's leading guarantee authority - - from \$1.5 billion to \$2 billion - - despite the austerity budget he submitted to Congress. This will help stimulate the private business sector and create more jobs.
- * Named the Administrator of the U.S. Small Business Administration to serve on the President's Economic Policy Board which oversees the formulation, coordination and implementation of the Administration's economic policy. It is the first time small business has been represented at such a high level of government.
- * Asked for reduction in capital gains taxation at an accelerating rate over a period of years. This would remove the tax incentive for small business mergers and made it possible for local interests to acquire and expand successful small businesses. It would unlock investments in business enterprises and permit the most productive employment of capital resources.
- * Proposed tax incentives to encourage broadened stock ownership, of low and middle income working Americans by allowing deferral of taxes on certain funds invested in common stocks. Widespread stock ownership would promote more stable financial markets, strengthen economic, social, and political support for the free market system, and help employees build a reasonable estate.

But President Ford knows that the Government should not -- and cannot -- run America's business:

"I will do my part, but the rest is up to you ... I challenge the businessmen and businesswomen of America, and all the productive people of this great country, to roll up your sleeves and show the world that our great free-enterprise system is still hale and hearty, in this Bicentennial year and for the future."



SOCIAL PROGRAMS--Overview--

"Compassion and a sense of community -- two of America's greatest strengths throughout history -- tell us we must take care of our neighbors who cannot take care of themselves.

"But everyone realizes that when it comes to welfare, government is not doing the job well. Too many of our welfare programs are inequitable and invite abuse. Worse, we are wasting badly needed resources without reaching many of the truly needy."

President Ford's approach to social programs emphasizes better delivery of services, less red tape through putting more control into state and local hands through block grants, and more help for those who are in need but none for those who don't need it.-

In the last two years, despite major economic difficulties, President Ford has undertaken many actions designed to provide better, more efficient social services. The President:

- * Pressed Congress to pass legislation to consolidate various Federal aid programs into single block grants to the states in such field as helath care, child nutrition and community services.
- * Twice proposed legislation to reform the food stamp program by concentrating benefits on those truly in need and correcting abuses and inequities.
- * With the food stamp reform legislation stalled in Congress, directed the Department of Agriculture last February to carry out the reform through administrative regulations.
- * Called on Congress for legislation to improve the effectiveness of the work incentive and Aid to Families with Dependent Children welfare programs.
- * Called a White House Conference on Handicapped Individuals to be held in the spring of 1977 to develop recommendations for legislative and administrative actions to aid individuals with handicaps to live their lives with self-reliance, dignity, and integration into community life.



President Ford has recognized that an election year is a difficult time in which to try to make massive and sweeping changes in the inefficient welfare system. But he strongly believes that the improvements he has undertaken and proposed are needed urgently now.

Meanwhile, he has ordered a careful study of alternatives for really comprehensive welfare reform.

Health Care

President Ford's proposed Financial Assistance for Health Care Act would consolidate Medicaid and 15 categorical Federal Health programs into a single \$10 billion block grant to the States.

The President's proposal is designed to overcome some of the most serious defects in the present system of Federal financing of health care and to permit States to meet their citizens' health needs more effectively. The program would:

- * Eliminate state matching requirements.
- * Distribute Federal health dollars more equitably.
- * Give States greater flexibility in providing for delivery of health care services to those with low incomes,
- * Expand public participation in planning health services.

Child Nutrition

President Ford is a strong supporter of Federal action to help provide a healthy diet to children whose families are not able to do so.

In a special message to Congress on March 23, 1976, requesting enactment of the Child Nutrition Reform Act of 1976, the President said:

"I believe that the Federal government has a responsibility to provide nutrition assistance to those most in need.

"At the same time, I believe that existing Federal taxpayer subsidies for the meals of children from families able to feed themselves extends that Federal responsibility beyond the appropriate point.

"In addition, under existing law, the 15 programs enacted into detailed legislation with the same objective -- feeding needy and non-needy children -- have resulted in a patchwork of complicated federal controls and regulations."



Without the reform proposed by the President, recent Congressional changes soon will require the Federal government to be spending more money on non-needy children than on the needy children. Children from all families, regardless of income, are now eligible to receive Federal subsidies for school lunches. At the same time, it is estimated that at least 700,000 children from poor families are receiving no nutrition benefits at all.

The reform legislation urged by the President would:

- * Provide financial assistance to States based on the cost of feeding all needy children.
- * Consolidate the 15 complicated and overlapping categorical programs into a single block grant to the States.
- * Save taxpayers nearly \$900 million a year by reducing assistance to non-needy children.
- * Remove unnecessary restrictions and red tape governing the way meals are provided to needy children.
- * Give concerned individuals and organizations in each State an opportunity to be involved in the planning of child feeding programs.

Unless Congress passes the President's reform proposal, more than \$660 million will be used in the 1977 fiscal year to subsidize students from families with annual incomes in excess of \$11,000 -- far above the poverty level.

Community Services

In a special message to Congress on February 23, 1976, urging prompt passage of his proposed Financial Assistance for Community Services Act, President Ford said:

"This proposal is in keeping with my philosophy of reducing unnecessary and burdensome Federal restrictions while increasing State and local flexibility and responsibility in the administration of social programs."

The legislation proposed by the President would:

- * Provide \$2.5 billion to be distributed annually by the Federal government to the states for a wide range of social services, including day care, family planning, foster care, special services for the aged, alcohol and drug addiction programs, and homemaker and home health aid programs.



- * Eliminate the requirement that States must match one State dollar for three Federal dollars.
- * Require that three-fourths of the Federal funds go to individuals with incomes below the poverty line or who receive Aid to Families with Dependent Children, Supplemental Security Income or Medicaid.
- * Assure that no State will receive less money as a result of this legislation than it received in the 1976 fiscal year.

President Ford prodded Congress again to pass the community services reform legislation in a special message on July 22, 1976, urging prompt attention to the "unfinished agenda of legislative business."

Food Stamp Reform

President Ford's determined efforts to reform the Food Stamp Program to concentrate benefits on those with greatest need and to eliminate from the program those who are not in need have been blocked by the Democrat-controlled Congress and by court action.

The President has proposed reform legislation to Congress twice, most recently October 20, 1975. Since Congress did not act on his proposal, last February the President directed the Secretary of Agriculture to proceed administratively and to carry out the reform through changes in the regulations. Implementation of the proposed regulations issued on February 27, 1976, has been delayed by a court challenge.

President Ford again called on Congress for action in a special message on July 22, 1976. In an earlier statement, the President declared that "each day that goes by without enactment of the reforms which I have proposed costs the taxpayers more than \$3.25 million."

The reform legislation proposed by the President would:

- * Increase benefits for those really poor, some 24% of those receiving food stamps.
- * Reduce costs by more than \$1.2 billion a year.
- * Eliminate benefits for the 17% of recipients whose incomes are above the poverty level.



- * Provide that any family whose net income is below the poverty level (\$5050 a year for a family of four) would be eligible for benefits.
- * Provide a \$100 monthly deduction in computing net income, and a \$125 deduction for families consisting of at least one member over 60 years of age, in computing eligibility.
- * Provide that all households receiving food stamps will pay a standard 30% of net monthly income for their food stamp allotment.
- * Eliminate automatic eligibility to receive food stamps for participants in other welfare programs.

Aid to Families with Dependent Children

President Ford has urged Congress to simplify administration of Aid to Families with Dependent Children Act (AFDC) -- one of the biggest welfare programs that has been much abused.

A major objective of the legislation proposed by the President is to eliminate ineligible persons (either because of fraud or error) from this program and focus Federal funds on the most needy.

The President's proposal -- which he prodded Congress on July 22 to enact after long delay -- includes provisions to:

- * Eliminate one of the troublesome inequities of the AFDC program by standardizing the disregard for work-related expenses.
- * Eliminate the dual work registration requirement for unemployed fathers. This would reduce administrative work as well as remove an unnecessary burden on individuals.
- * Require an applicant for AFDC under the unemployed fathers program to apply for and accept any unemployment compensation benefits to which he is entitled. Under a Supreme Court ruling, an individual who is eligible for unemployment compensation now has the option of applying for either unemployment or AFDC benefits.

Work Incentive

The purpose of the Work Incentive (WIN) program is to help those receiving AFDC benefits become self-supporting through going to work.



The amendments proposed by the President would:

- *Revise the program to insure that employable WIN applicants and beneficiaries are exposed to job opportunities and would actively search for and accept suitable jobs.
- * Extend to AFDC applicants the direct placement and labor market exposure employment services now provided only to AFDC recipients.
- * End the less effective work and training components of the WIN program.

Handicapped

"This Nation's handicapped citizens have a right to live with self-reliance with the same dignity as all of their fellow citizens," President Ford said in his announcement on November 22, 1975, of the first White House Conference on Handicapped Individuals.

The President said he was looking forward to the Conference's recommendations as a step toward helping handicapped persons "realize their full capacity as human beings" and achieve higher levels of personal and professional fulfillment."

A 28-member National Planning and Advisory Council will direct preparations for the conference, scheduled to be held next May.

In his State of the Union Address the President announced two recommendations in his FY 77 budget that will help the disabled:

- * A full cost-of-living increase in social security benefits to be paid in the coming year.
- * Catastrophic health insurance for everybody covered by Medicare. The President said, "To finance this added protection, fees for short-term care will go up somewhat, but nobody after reaching age 65 will have to pay more than \$500 a year for covered hospital or nursing home care nor more than \$250 for one year's doctors' bills."

And, April 28, 1976, the President issued an executive order on Nondiscrimination with Respect to the Handicapped in Federally Assisted Programs. The purpose of the executive order is to provide for consistent implementations within the Federal Government of Section 504 of the Rehabilitation Act of 1974.

WELFARE REFORMS

President Ford believes there is a need for a rationalization of our current collection of programs designed to assist the poor. In an era when we have come face to face with the fact that government's resources are limited we must find a simpler more responsive and accountable means of helping those in need.

In his State of the Union Address on January 19, 1976, the President said about welfare that:

" . . . government at all levels is not doing the job well. Too many of our welfare programs are inequitable and invite abuse. Worse, we are wasting badly needed resources without reaching many of the truly needy. Complex welfare programs cannot be reformed overnight. Surely we cannot simply dump welfare into the laps of the 50 States, their local taxpayers or private charities, and just walk away from it. Nor is it the right time for massive and sweeping changes while we are still recovering from a recession. Nevertheless, there are still plenty of improvements we can make."

And, May 3, 1976, in Birmingham, Alabama, the President said:

"I have never believed that a guaranteed annual income was the answer to any of our problems. But, that doesn't mean under any circumstances that I am in agreement with our present welfare program. When you add up all of the welfare programs we have, including food stamps, I think it is a mess and something has to be done about it."

Ford Administration Actions

In his State of the Union Address on January 19, 1976, the President asked Congress for Presidential authority to tighten up rules for eligibility and benefits.

The President will submit later this year the "Income Assistance Simplification Act," legislation granting him authority to adjust various income assistance programs to make these programs more consistent, equitable, and efficient. All changes proposed under this authority would be subject to review and disapproval by the Congress.



The proposed Income Assistance Simplification Act will include:

- * Program Coverage -- Authority will be sought only for modifications to Federal and Federally assisted means-tested programs which provide benefits to individuals in cash or "in kind," e.g., Food Stamps, AFDC, and SSI.
- * Scope of Authority -- The Act would give the President authority to modify administrative procedures, eligibility requirements, benefit levels, and program administration authority.
- * Congressional Control -- The Act would preserve Congressional authority over all proposed modifications since the Congress would have an opportunity for review and disapproval.
- * Duration of Authority -- Five years.

On April 30, 1976, in Lubbock, Texas, the President said:

"We are in the process right now, at the highest level in HEW and other affected agencies, trying to decide whether you can really sufficiently improve a hodge-podge program or whether you ought to go to something like a family assistance program.

"After the end of this study -- which probably will be completed the latter part of December -- we will make a decision. But at the moment, I don't want to pre-judge exactly what our approach ought to be.

"I can assure you that we are going to try to put the emphasis, number one, on helping those who are in need, period. Number two, we are going to try and have a work incentive part of the program, which I think is basically sound. We are going to, if we could, consolidate the many programs that we have that, really, I think, don't help the beneficiary but actually frustrate the beneficiary.

"So those are some of the guidelines that we are trying to use in making a final determination."



TRANSPORTATION

--Overview--

President Ford has committed his administration to the development of a transportation system more directly responsive to the needs of the public -- one which will provide the Nation with the best transportation services at the lowest possible cost.

To accomplish this, he submitted to the Congress three major transportation proposals to reform transportation regulation. These proposals include the Aviation Act of 1975, the Railroad Revitalization Act of 1975, and the Motor Carrier Reform Act of 1975. The last is designed to:

- * Encourage a wider range of services and prices.
- * Eliminate antitrust immunities and encourage competitive pricing.
- * Eliminate outdated and unnecessary economic regulation.
- * Help small businessmen better to meet their transportation needs.
- * Strengthen the enforcement of motor carrier regulation.

The Railroad Revitalization and Regulatory Reform Act of 1976, which President Ford signed this February, provides long-overdue regulatory reform, makes it possible to reorganize the bankrupt Northeast and Midwest railroads, and authorizes necessary financial assistance for upgrading rail facilities. Specifically, this Act:

- * Provides for more efficient, more competitive, and thus less costly rail transportation.
- * Will increase competition between various kinds of transportation and encourage a better utilization of resources by assuring that goods are transported by the most efficient means of transportation.
- * Eliminates certain antitrust immunities which permit carriers to set and hold rates at unreasonably high levels.



- * Assures that regulation provides adequate protection to consumer interests.
- * Provides needed financial assistance to the railroad industry.
- * Encourages speedy and rational restructuring of the railroads which will improve their economic health.

In signing this major piece of legislation, the first significant reform of transportation regulation by any Administration, the President stated:

"The actions set in motion by this legislation will make a significant contribution to our objectives of economic growth through private job creation, energy independence, and a strong private transportation system."

The Aviation Act of 1975, which Congress has not yet acted on, seeks to increase competition within the domestic airline industry by providing fare flexibility and greater freedom of entry to particular air markets throughout the U.S. It would also:

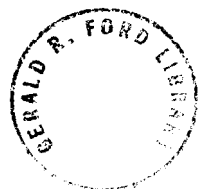
- * Broaden the availability of charter services.
- * Allow carriers to transfer route authority freely.
- * And, lessen Federal regulation of the domestic airline industry.

The President has taken other measures to revitalize the transportation system in the United States including:

- * Signing into law the National Mass Transportation Assistance Act of 1974, which establishes an \$11.8 billion six-year program to support mass transit capital and operating programs.
- * Transmittal to the Congress of the Federal-Aid Highway Act of 1975, to expedite completion of an inter-city interstate system, and to enhance state and local flexibility in using Federal transportation assistance.



- * Promoting car pools to save energy--one of his first actions in this connection was the Project Independence report, a joint FEA-DOT effort which was issued in November, 1974.
- * Initiating legislation to impose waterway user charges to bring this form of transportation into line competitively with alternative modes.
- * Signing into law in December 1974, the 55 m.p.h. bill, which has saved both lives and fuel.
- * And signed the Energy Policy and Conservation Act, which has important transportation aspects in terms of fuel economy and conservation, on December 22, 1975.



-- AIR TRANSPORTATION --

One of President Ford's highest priorities for his administration is comprehensive reform of government regulation. And in hardly any other area than air transportation is the need more urgent.

"The airlines don't want their current situation with the CAB changed. They have gotten used to it, they've got a lot of lawyers who enjoy it; and the net result is, we are in the 'status quo' even though the circumstances have changed significantly."

President Ford
April 2, 1976

Thus, among the legislative proposals that the President has submitted to the Congress is an Aviation Act, which if enacted would:

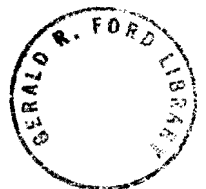
- * Encourage price competition in the airline industry;
- * Provide greater freedom of entry for new airline service to particular air markets throughout the U.S.;
- * Broaden the availability of charter services;
- * Allow carriers to transfer route authority freely; and
- * Promote regulation that protects the consumer's interest rather than special industry interests.

By increasing reliance on market forces and decreasing economic regulation, this bill should result in lower fares and increased service for the air-travel consumer.

In July 1976, the Congress passed the Airport and Airway Development Act, originally proposed by President Ford. This Act:

- * Improves the financial and design planning processes for airports;
- * Outlines steps to reduce noise near airports;
- * Provides for a fairer system of assessing user charges.

President Ford's Administration has also endorsed a seven-point program that will help U.S. airlines operating to other countries to compete better with the heavily subsidized airlines of other nations.



-- THE "CONCORDE" SST --

Last year the President responded to the controversial question of whether the "Concorde" should be permitted to operate in the U.S. by ordering a thorough investigation and study. In February 1976, the Secretary of Transportation, William Coleman, completed extensive hearings and authorized a 16-month trial of "Concorde" operations at New York and Washington, D.C., Airports.

"Through these operations...we can get specific technical information...on...noise or any interference with the environment... and at the end of that 16-month trial period there will be an evaluation made by the Secretary of Transportation... But the only way you can find out is to actually undertake them on a limited basis for a limited period of time, and I fully support Secretary Coleman's decision."

President Ford
April 23, 1976



-- MASS TRANSPORTATION --

"There is a legitimate and major role to be played by the Federal Government in assisting urban mass transit systems. But I emphasize here that the role must be carried out in complete and total partnership with States and localities."

President Ford
September 9, 1976

Since the first few weeks of President Ford's administration, he has reiterated his concern that the revitalization of our cities be conducted according to local and regional plans, with Federal facilitation rather than Federal direction. The President's policy for mass transportation emphasizes the building of an attractive alternative to private vehicles.

The President's concern is formalized in the Statement of National Transportation policy issued in September 1975:

" Federal policy for urban transportation should at once respond to locally determined transportation goals and serve such national objectives as the enhancement of our cities as vital commercial and cultural centers, control of air pollution, conservation of energy, access to transportation for all citizens and particularly the disadvantaged, facilitation of full employment and more rational use of land."

In fulfilling his policy, the President, on November 26, 1974 signed the National Mass Transportation Assistance Act of 1974 which provides a six-year, \$11.8 billion program of financing and planning assistance. The President was directly involved in the development of the Act.

He also signed into law the Federal-Aid Highway Act of 1976. The Act authorizes the use of highway funds for a wider range of transportation needs, permitting individual states much greater flexibility in meeting their individual needs.

The President was particularly pleased to see the implementation, under the Department of Transportation, of a special new program for improving public transportation in America's rural areas. Five hundred million dollars has been authorized for this program over the next four years.

VETERANS

- Overview -

"Of all the important days to be celebrated during America's Bicentennial, none is more worthy of special observance than Veterans Day. Had not the patriotic men and women to whom we pay deserved and grateful tribute on Veterans Day heard and answered freedom's call during the past 200 years, there would be no American Bicentennial of freedom."

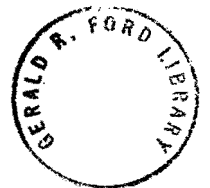
President Ford

Proclamation of Veterans Day,
1975

President Ford, a veteran of the Second World War himself, has been thus honoring America's veterans and fighting for their deserved benefits since the days even before he was first selected to the Congress. In 1948 he was named Young Man of the Year by the Grand Rapids Jaycees for his efforts in getting more housing and job-training opportunities for veterans.

Since taking office in 1974, President Ford has:

- * Submitted a record VA budget for FY 1976 of \$18 billion.
- * Signed Public Law 94-71, raising compensation payments for service-disabled veterans on the same cost-of-living basis enjoyed by other groups receiving Federal benefit increases.
- * Despite tight constraints he himself placed upon the FY 1977 recommended budget, requested a record amount of more than \$4 billion for VA medical care.
- * Repeatedly praised and honored the many veterans' organizations for their work in alleviating the special needs and problems of veterans returning to the civilian world.



MIAs IN SOUTHEAST ASIA

Of all the personal tragedies affecting the lives of Americans from the war in Vietnam, perhaps the most moving is the lingering doubt many must endure over the fate of servicemen and civilians who remain listed as "missing in action." In trying to bind up the nation's wounds from that war, President Ford has been keeping pressure on the Communist governments of Southeast Asia to co-operate in accounting for the MIAs.

"The world should know that the United States will not falter in its determination to achieve an adequate accounting of our MIAs."

President Ford
Memorial Day, 1975

Later, he made our position unequivocal:

"Our policies toward the new regime of the Peninsula will be determined by their conduct toward us. We are prepared to reciprocate gestures of good will--particularly the return of Americans killed or mission in action, or information about them."

President Ford
Hawaii, Dec. 7, 1975

To encourage the success of private groups organized for the MIAs' cause, and to foster continued public concern, each January President Ford has declared a national day of remembrance for MIAs.

And President Ford has taken an active hand in resolving MIA cases. During his recent visit to the Peoples' Republic of China he discussed this issue with the Chinese leadership, and they provided him information on the fate of 24 Americans who had died on P. R. C. territory or in its waters.



VETERAN'S EDUCATION BENEFITS

The primary purpose of all GI Bill education programs--World War II, Korean conflict and Vietnam-era--has been to assist veterans make the transition from military to civilian life by helping them get the education they might have received if they had not served their country in a time of national emergency.

The Vietnam-era GI Bill has served its purpose well. By the end of 1976, over 7 million people will have taken advantage of their education benefits at a cost to the Government of almost \$23 billion. But until May of 1975 peacetime volunteers remained fully eligible for all the wartime benefits designed to reward those who entered military service during the period of actual hostilities in Vietnam. President Ford, seeing that the period between cessation of hostilities and termination of wartime benefits was already longer for the Vietnam war than for any previous war, terminated eligibility at that time. However he emphasized that:

"...the termination actions will in no manner impair the eligibility for full wartime benefits of...Vietnam-era veterans already discharged, or those presently serving in our Armed Forces.

"Future veterans disabled in service will continue to receive Veterans Administration compensation and other service-connected benefits on an absolute par with present wartime benefits. Families of those who die in service will receive the same service-connected benefits available to veterans of wartime service."



MEDICAL BENEFITS

President Ford has been especially aware of the needs of those men and women who gave more than just their time. Speaking to the Disabled American Veterans he said:

"...yours was the ultimate involvement. You gave your muscle, your blood, your courage, and your years. It was a priceless gift...that America must never forget, and... I salute each and every one of you..."

"By maintaining, by improving our Veterans Administration we can ensure that veterans will get the help they richly deserve. That is why, even within the tight constraints of the Federal budget for fiscal year 1977, I have recommended a record amount of over four billion dollars for VA medical care."

President Ford has continued implementation of the major recommendations of the 1974 Quality of Care survey of all Va hospitals. The fiscal 1977 budget he has recommended will provide funds for the balance of more than 9,000 personnel added to the VA medical care staff, and for \$200 million in construction work and correction of safety deficiencies in VA hospitals. As President Ford has said,

"Our prime responsibility is to provide the finest medical care for those who were injured in wartime..."

Recently, the President approved a program for the construction of all eight new hospitals recommended by the VA on the basis of planning studies by independent contractors. These studies were undertaken in response to a Congressional expression that additional hospitals be built. President Ford's 1977 budget includes funds for the two projects given the highest priority by the Administrator of Veterans' Affairs--Richmond, Virginia; and Bay Pines, Florida. The President plans to seek construction funds for the other six replacement hospitals at the rate of two a year for the succeeding three years. These other locations are:



VETERAN'S CEMETERIES

"There is no higher honor or more solemn privilege than to represent our nation in paying tribute to its honored dead...

"All who come to Arlington...must reflect upon the sacrifices made by those...brave Americans who lie in rest on these hillsides, as beneath silent markers at Valley Forge, Gettysburg, and Pearl Harbor."

President Ford
Memorial Day, 1976

President Ford, like the millions of his fellow Americans who also took up arms to defend our freedoms, feels that the real measure of a nation's tribute for its heroes is in providing an honorable final resting place.

"The freedom we enjoy today, these fallen won for us. The way of life that we cherish, they protected for us. The heritage they defended is now in our hands. We are guardians of their trust. Arlington Cemetery is their sacred shrine, but their greatest monument is the America they died to defend."

President Ford
Memorial Day, 1975

In the past year the Veterans Administration has established two new National Cemeteries--Otis Air Force Base, in Massachusetts; and Riverside, California--and it will soon be developing additional cemeteries: one in Pennsylvania, and another in Virginia not far from the nation's capital.

The two cemeteries in Massachusetts and California are planned to include 750,000 gravesites. In the past two years the total number of available gravesites in the National Cemetery System has increased by about 20 per cent.



- * Martinburg, W. Va.
- * Little Rock, Ark
- * Portland, Ore.
- * Baltimore, Md.
- * Seattle, Wash.
- * Camden, N. J.

In announcing his plan, the President said:

"Over one million people are served annually by Veterans Administration hospitals, nursing homes, and domiciliary facilities. They deserve to continue to receive care of the highest quality and the latest in medical research. This requires adequate hospital facilities. The actions I am announcing today reflect my commitment that the Nation's veterans be assured of the finest in quality medical care."



Vetos



VETOES--Overview--

Since his Inauguration in August, 1974, President Ford and the American people have together had to face the many difficulties created by a severe economic crisis, exploitation of our dependence on foreign energy sources, and the consequences of excessive Federal spending and regulation of the private sector. On 55 occasions, the President has said "no" to, or returned to the Congress without his signature, bills which the Democrat-controlled Congress has passed which would have exacerbated or failed to address these problems--bills which would have:

- * Increased the Federal deficit by billions of dollars.
- * Increased our dependence on foreign sources of energy.
- * Increased costs to the consumer.
- * Duplicated programs already in existence.

The President said earlier this year, "If we are to do what must be done, we must stop doing what need not be done." In carrying out his responsibilities, President Ford has used his veto power to save the taxpayer over \$9.2 billion. The Democrat Congress has overridden only eleven of the President's 56 vetoes.

This judicious use of his veto power has been instrumental in reducing the rate of growth in government spending by half, gaining the average American household more than \$150 a year.

While some people have opposed his difficult decisions, a majority of Americans support the need to restrain excessive Government expenditures. In a Harris Survey taken earlier this year, 72% of the American citizens polled felt that they did not get full value out of their tax dollars.

The President has not merely opposed these legislative mistakes. In every instance, President Ford proposed better, more workable and responsive alternatives that his many years of legislative experience allowed him and his advisors to devise. Many of the President's programs have been passed, while others still await Congressional action.



The "Christmas tax cut" bill provides a useful example of this positive use of the veto. In October, President Ford proposed cutting the upcoming Federal budget by \$28 billion coupling this with a tax cut of the same amount. He repeatedly asserted that he would veto any tax cut which failed to include a commitment to dollar-for-dollar budget cuts.

Apparently, the Congress didn't believe him, because on December 17, he received a tax cut bill with extended, for only six months, the 1975 tax cuts -- and failed to include any provision for a reduction in federal spending.

As promised, President Ford vetoed this bill, and the Democratic-controlled Congress found itself unable to override his veto. The President and the Congress then worked out a compromise in which the Congress accepted his principle, linking future tax cuts to budgetary restraint. Congress agreed to balance future tax cuts with dollar-for-dollar spending cuts.

Other examples of the costly, inefficient, and poor legislation passed by the Democrat Congress and stopped by President Ford include:

* The Surface Mining Control and Reclamation Act (H.R. 25) which would have:

- cost some 36,000 jobs.
- caused consumers to pay increased prices for electricity.
- decreased coal production potentially by as much as 162 million tons, and increased our dependence on foreign oil by 640,000 barrels of oil.

* The Emergency Housing Act (H.R. 4485), which would have:

- cost the American taxpayer an additional \$1 billion and increased the Federal deficit by the same amount.
- duplicated powers already on the books.



* Petroleum Price Review Act, which would have:

- increased domestic petroleum consumption and increased our reliance on foreign oil by 350,000 per day by 1977.
- cut domestic production of oil.

Recently, President Ford said "no" to a costly, \$6.1 billion big-spending public works bill. It was a bill that would have cost every American taxpayer an average of \$50. The President said it was an election-year "hoax." His veto was upheld in the Senate because many members of that body saw that he was right.

In each case, the President has proposed a more workable alternative. President Ford has consistently used his veto power wisely, with discretion, in order to save the taxpayer billions of dollars and to constructively solve the difficult problems this country faces.

Exemption of Members of Congress From Certain Local Income Taxes

The 54th Presidential veto was exercised to prevent the Congress from creating still another "narrow and special class of persons"--the Congress itself. This bill would have provided that a Member of Congress need not pay income tax levied by a state or municipality in which the Member lives for the purpose of attending Congress. Upon returning the bill without his approval, the President commented:

As the end of this session of Congress approaches, the American people would be better served if Congress would direct its attention to the important laws that should be passed this year-- to cut taxes and spending; to expand catastrophic health care programs; to limit court ordered bussing; to attack crime and drugs; and to address many other important matters of concern to the American people--rather than enacting legislation such as S. 2447.



Women

WOMEN

--Overview--

The President has long been a strong supporter of greater opportunity for American women.

In 1970, when he was serving as House Minority Leader, Mr. Ford was instrumental in lining up some of the last signatures to obtain a "discharge petition" to free the Equal Rights Amendment from committee, where it had languished for 47 years, and bring it to the floor of the House of Representatives.

In his 1976 Women's Equality Day Proclamation, President Ford said,

"It would be most fitting for the ratification of the Equal Rights Amendment to be accomplished as we begin our third century."

On July 1, 1976, the President directed the Attorney General to review the entire United States Code to determine the need for revising sex-based provisions that are not justified in law nor supported by wise policy. The President made it clear on that occasion that he was determined to eliminate all vestiges of discrimination within the Federal government.

In March of this year, the Secretary of the Treasury presented the Administration's tax proposals. The President recommended the elimination of the estate and gift tax on all transfers between spouses. This proposal is now under consideration by the Congress.

The President has also supported the establishment and appointment of the National Commission on the Observance of International Women's Year and he signed the legislation which directs the National Commission to plan and convene a National Women's Conference to be preceded by 56 state and territorial conferences. On July 1st of this year, the President accepted the report of the National Commission in a ceremony at the White House.

In March of 1975 the President directed the heads of Federal Departments and agencies to guarantee that all persons have an opportunity to compete on a fair and equal basis for employment and advancement in the federal government. The Chairman of the Civil Service Commission was directed to evaluate this program and report back to the President on an annual basis.



President Ford has also supported and signed the following legislation:

- * The Housing and Community Development Act, which prohibits discrimination on the basis of sex in housing and mortgage credit lending.
- * The Equal Credit Opportunity Act of 1974, which prohibits discrimination on the basis of sex and marital status in the granting of consumer credit. The Federal Reserve published regulations to ensure enforcement of equal credit opportunities last October.
- * The Education Amendments of 1974, which include a section entitled the Women's Education Equity Act, providing funds for the development of curricula and textbooks to advance equality in education.
- * The Military Procurement Bill of 1975, which permits women to be eligible for appointment and admission to the service academies for classes entering in the calendar year 1976.

President Ford has also directed his Special Assistant for Women to maintain open liaison with over 300 national women's organizations with a combined membership of over 100 million.

Since taking office, the President has emphasized the need to increase the number of women in high-level positions in the federal government. As a result, 14 percent of all new appointments have been women. This is higher than any previous administration.

Among the President's appointments are: Carla Hills, Secretary of Housing and Urban Development; Marjorie Lynch, Under Secretary of Health, Education, and Welfare; Juanita Ashcraft, Assistant Secretary of the Air Force; Judith Connor, Assistant Secretary of Transportation; Constance Newman, Assistant Secretary of Housing and Urban Development; Anne Armstrong, Ambassador to the Court of St. James; Shirley Temple Black, Chief of Protocol; Rosemary Ginn, Ambassador to Luxembourg; Marquita Maytag, Ambassador to Nepal; Mary Olmsted, Ambassador to Papua New Guinea; Betty Southard Murphy, Chairman, National Labor Relations Board; Katherine Bailey, Member, National Transportation Safety Board; Betty Jo Christian, Commissioner, Interstate Commerce Commission; Barbara Anne Simpson, Commissioner, Federal Power Commission; Georgiana Sheldon, Commissioner, Civil Service Commission; Ethel Bent Walsh, reappointed as Vice Chairman, EEOC; Margita White (nomination pending) Commissioner, Federal Communications Commission; Eloise Clark, Assistant Director, National Science Foundation; Mary Richey, U.S. District Judge, Arizona; Elizabeth Kovacovich, U.S. District Judge, Middle District of Florida; Susan Gordon, Assistant Secretary, Department of Health, Education, and Welfare.



On his own staff, in the White House, he has appointed Gwen Anderson, Deputy Assistant to the Counselor to the President; Jeanne M. Holm, Special Assistant to the President; Judith Hope, Associate Director of the Domestic Council; Barbara Greene Kilberg, Associate Counsel; and Virginia Knauer, Special Assistant to the President for Consumer Affairs.



ABORTION

President Ford has stated that he is personally opposed to abortion on demand -- and believes that the 1973 Supreme Court decision went too far in that direction.

The President is also opposed to a constitutional amendment which would totally prohibit abortion -- there are very limited circumstances -- "the illness of a mother, or rape or any of the other unfortunate things that might happen" -- which might make an abortion necessary.

The only Federal action which President Ford would support would be a constitutional amendment giving to the states the authority to make regulations for abortion within that state.

His position is one which he has held consistently over the years. It is based on President Ford's strong belief in the Federal system, which holds that such moral and deeply personal issues should not be settled as a matter of national policy, but rather should be decided by the people closer to home, in their own states.



EQUAL RIGHTS AMENDMENT

President Ford is a long-time supporter of the Equal Rights Amendment and has urged its ratification by the states in numerous speeches and interviews.

In 1970, when ERA first reached the House of Representatives floor, the then House Minority Leader Ford was instrumental in obtaining enough votes to get a discharge petition to free the measure from Committee where it had been for 47 years. A Congresswoman who led the ERA fight said:

"Congressman Ford supplied some real moxie too; he lined up 15 to 16 names right at the end."

On February 4, 1976, during an interview, President Ford told the New Hampshire Times:

"I support ratification of the Equal Rights Amendment and I have urged the adoption of it by the states. The Nation cannot afford discrimination against any individual based solely upon race, creed, sex, or national origin. As we enter our third century as a Nation, it is particularly important that we reaffirm our commitment to equal opportunities for all our citizens."

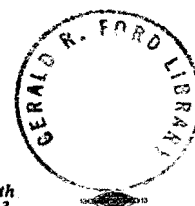
On July 1, 1976, he stated before a group of 1,000 leaders on the White House lawn:

"Because this Nation is founded on the principle that all citizens share the same rights, what affects the rights of one affects the freedoms of all. The job before us . . . is to bring our national life into harmony with our national philosophy. This is an awesome task. It is a difficult problem. But we faced such tasks before and I think we can win." . . .

"More than half a century after women's suffrage became law, much still remains to be done, . . . Not just compassion but justice and logic dictate that we remove the inequities that still exist." . . .

"Since becoming President, I have supported and signed into law legislation prohibiting sex discrimination in housing, credit, and education. Some of the laws discriminating against women appear petty and even ridiculous. But the fact is, they are all equally inconsistent with the American philosophy of equality."

In his 1976 Women's Equality Day Proclamation, President Ford said:



"To remind all Americans that it is fitting and just to secure legal equality for all women and men, (I) do hereby designate and proclaim August 26, 1976, as Women's Equality Day.

I call upon all the citizens of the United States to mark this day with appropriate activities, and I call upon those States who have not ratified the Equal Rights Amendment to give serious consideration to its ratification and the upholding of our Nation's heritage."



ADDENDUMWOMEN

President Ford has continued his active effort to create equal opportunities for American women. The President's belief is expressed in his July 4 address:

"If America has a fundamental strength, if America is built upon a fundamental principle, it is that all men, and women, are created equal."

The Ford Administration has expanded opportunities for women and eliminated many of the barriers to their full participation in our Nation's life.

CHILD DAY CARE

President Ford recently signed into law the Child Day Care Bill, a guarantee of \$200 million for Federal Social Services to the States in Title XX without requiring state matching funds.

And, President Ford signed into law a Child Credit Tax effective this year in which the present deduction for child care expenses is converted into a credit and substantially expanded. This Child Tax Credit enables a family to take a reduction of 20 per cent in child care costs or a maximum tax reduction of \$400 for one child, \$800 for two or more children. This bill has eliminated the ceiling, giving the Child Tax Credit to all families.

ESTATE TAX EXEMPTION

President Ford has signed into law a guarantee to widows and widowers of an exemption from a large portion of the estate tax, \$250,000 or 1/2 of the total estate, whichever is higher. The President has proposed a stronger total elimination of the estate and gift tax on the transfer of all assets between spouses.





Youth

YOUTHOverview

"I have a lot of faith, I have tremendous belief in what the younger generation of this country is going to do in the years ahead."

President Gerald R. Ford
West Texas State University
April 10, 1976

The President, whose own sense of honesty and integrity has restored trust to government, realizes that the principles and ideals of youth must be honored by all public officials.

The President reared his children to think for themselves and to speak their own minds. It is a close knit family. President Ford is not above listening to advice from his children. He told a high school student during a question-and-answer session at LaCrosse, Wisconsin, on March 27, 1976, that:

"When I was in Congress I got a lot of non-voting advice from my own four children, believe me."

The young student had asked the President what role he thought people too young to vote could play in government.

President Ford replied:

"Just because you may be about 17 and one-half does not mean you can't be a participant. You can do something to influence others and you can get people to the polls, and we have to get a maximum vote in 1976 to prove to the world that we love and cherish our democracy. We can't neglect the right to vote."

The 18-year Old Vote

The President recalled that when in Congress he strongly supported the constitutional amendment that made it possible for 18-year-olds to vote.

"Many people said it would be unhealthy, that they were not qualified," he added. "I think they are. Their participation has been excellent."

Disadvantaged Youth

Also on the job front, the President signed into law legislation providing \$528 million to support 888,100 jobs for disadvantaged youth this summer. He said this action, together with related summer youth programs, would produce summer jobs for 1.5 million young people in the 1976 summer.

- * Directed the heads of all Federal departments and agencies to cooperate in efforts to provide summer jobs in Government for 54,000 needy youths.

The President called for 26,000 youths to do conservation work under the Department of Agriculture and Interior Department.

Ensuring Equal Opportunity

The President signed in March amendments to the Equal Opportunity Credit Act which bars discrimination against persons in obtaining credit for reasons unrelated to their credit worthiness. This law should help young working people below 21 in obtaining credit which otherwise might have been denied them because of age alone.

Education

In actions relating to education, President Ford:

- * Supported the concept that aid for college and university students should be provided to the individual students rather than to institutions so that the students can choose the kind of education they want.
- * Requested full funding of the Basic Opportunity Grants program in both 1976 and 1977 to enable needy students to receive up to \$1,400 a year, but no more than half the money needed to meet their educational costs. Additional funds come from loans, work study programs, and resources of the student or his family.
- * The President's budget for the 1977 fiscal year includes \$6.3 billion for higher education, including \$4.3 billion for the G.I. Bill. (See Education section for more detail.)



President Ford summed up his beliefs about American youth in remarks at Birmingham, Alabama, on May 3, 1976:

"I deeply believe in America's young people above all else. In 200 years we have forged from a struggling group of colonies to the greatest nation in the history of the world. Our progress in every field has been unprecedented and much of that progress has always been due to the strength and due to the character of young Americans."

