

**The original documents are located in Box 48, folder “President - Messages to Congress” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.**

### **Copyright Notice**

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

Saturday 8/31/74

10:00 Diana in Jerry Jones stopped by to see if you have any changes to make in the Message for the 90-day deferral of the pay raise.

She xeroxed a copy of Mr. Hartmann's changes -- see attached.

8/31  
11:05  
Advised  
you would  
not be  
making any  
statement



MESSAGE

From

THE PRESIDENT OF THE UNITED STATES

Transmitting

NOTICE OF A NINETY-DAY DEFERRAL IN THE PENDING PAY  
ADJUSTMENT FOR FEDERAL EMPLOYEES, PERSONNEL REDUCTIONS  
AND A FEDERAL PAY COMPARABILITY ALTERNATIVE PLAN

To the Congress of the United States:

At a time when inflation is the main concern of every American, the Federal Government has a special obligation to take those actions which begin to stop inflation.

~~and~~ In this spirit and with the knowledge that the action I am taking will help to hold down the cost of living for all Americans, ~~and~~ I now recommend a ninety-day deferral in the pending pay adjustment for Federal employees. At the same time, I am also ordering the Director of the Office of Management and Budget to proceed with a reduction of 40,000 Federal civilian positions from those planned for the current fiscal year.

Therefore, as required by law, I am transmitting to the Congress a plan to defer Federal pay raises for ninety



days. This is intended to meet both the needs of those who serve the Government and the common interest of the general public, all of whom must bear the burden of increased inflation.

Under this plan, a pay increase for all Federal employees based upon an appropriate comparability adjustment would become effective on the first pay period beginning on or after January 1, 1975. The level of the comparability adjustment will be determined during the next few weeks. My "agent" on Federal pay, the Director of the Office of Management and Budget and the Chairman of the Civil Service Commission, has recommended an average pay increase of 5.52 percent. This recommendation is now being reviewed by the Advisory Committee on Federal Pay as required by the Federal Pay Comparability Act of 1970. This Committee will make its own recommendations to me in late September. At that time, I will make my decision on the appropriate comparability adjustment. I do not expect it to differ greatly from that recommended by my agent.

I regret asking for this postponement of a Federal pay increase, but ~~there can be no doubt~~ <sup>I am convinced</sup> of its necessity. Federal employees affected by this action are the foundation of sound, effective and efficient Government, ~~and I am~~

more conscious than ever of their contributions to our country.





Nevertheless, at this critical time in the economic health of our Nation, I <sup>must</sup> call on all Americans <sup>without exception</sup> to make sacrifices in order to hold down ~~wages and prices~~ <sup>wages and prices</sup> ~~inflation. This requires~~ that all of us cooperate to hold down wage and price increases. Federal employees, as one of the largest groups of workers in the country, have a <sup>special</sup> ~~unique~~ role to play in the fight against inflation because <sup>we in Government</sup> ~~every dollar of their pay comes from taxpayers.~~ <sup>set the example</sup> It is especially important this year ~~as~~ we seek a noninflationary budget, that Federal spending be held to a minimum.

I urge the Congress to support this action, because it is in the best interest of all Americans.

The plan to defer Federal pay raises by ninety days is attached. As required by law, the plan represents an alternative to the October effective date which would otherwise occur. ~~the Office of Management and Budget has~~

In addition, ~~I have~~ now determined the specific reductions in civilian positions from those budgeted for the current fiscal year. The agencies will shortly be informed of these reductions by letters from ~~the Office of Management and Budget.~~ <sup>OMB</sup> ~~whenever possible, these reductions will be accomplished through normal attrition.~~

It is extremely important that the Federal establishment hold employment to the absolute minimum needed to get the job done. Effective use of human talents is a wise use of the tax dollar.



The pay raise deferral and the reduction in civilian positions together will reduce the 1975 budget by about \$1 billion. Thus, the Federal Government is taking an essential first step in holding down the Federal budget and showing the way for restraint by all Americans.



Shall I  
send this  
to Dudley  
Chapman?

Deadline

10 am tomorrow

I was unable to get  
an answer in his office



THE WHITE HOUSE

WASHINGTON

ACTION MEMORANDUM

LOG NO.:

Date: August 30, 1974

Time:

FOR ACTION: ✓ Phil Buchen  
Bill Timmons  
Ken Cole  
Paul Theis

cc (for information):

FROM THE STAFF SECRETARY

DUE: Date: Saturday, August 31, 1974

Time: 10:00 a. m.

SUBJECT:

Ash memo (8/30/74) re: Federal  
Pay Raise and Civilian Employment  
Reduction

ACTION REQUESTED:

\_\_\_ For Necessary Action

\_\_\_ For Your Recommendations

\_\_\_ Prepare Agenda and Brief

\_\_\_ Draft Reply

\_\_\_ For Your Comments

\_\_\_ Draft Remarks

REMARKS:

The attached is forwarded for your comments and recommendations on the message at Tab A of the attached memorandum by 10:00 a. m., Saturday, August 31. Please return to the Office of the Staff Secretary.

Thank you.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Jerry H. Jones  
Staff Secretary



THE WHITE HOUSE

WASHINGTON

AUG 30 1974

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

~~ROY L. ASH~~

SUBJECT:

Federal Pay Raise and Civilian  
Employment Reduction

I. BACKGROUND

As you instructed, here are papers which will inform the Congress of your plan to defer the pay raise for three months to January 1975. The papers include:

- A message to the Congress transmitting the alternative plan as required by law (Tab A);
- The language needed to accomplish the alternative plan (Tab B); and
- An announcement directed to the Federal establishment (Tab C).

The material includes reference to a reduction of 40,000 positions planned for this year.

II. RECOMMENDATION

I recommend that you transmit the message to the Congress and the accompanying alternative plan no later than tomorrow, August 31. Under the law, the alternative plan cannot be effected UNLESS TRANSMITTED PRIOR TO SEPTEMBER 1.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

Attachments



A





MESSAGE

From

THE PRESIDENT OF THE UNITED STATES

Transmitting

NOTICE OF A NINETY-DAY DEFERRAL IN THE PENDING PAY  
ADJUSTMENT FOR FEDERAL EMPLOYEES, PERSONNEL REDUCTIONS  
AND A FEDERAL PAY COMPARABILITY ALTERNATIVE PLAN

To the Congress of the United States:

At a time when inflation is the main concern of every American, the Federal Government has a special obligation to take those actions which begin to stop inflation.

It is in this spirit and with the knowledge that the action I am taking will help to hold down the cost of living for all Americans, that I now recommend a ninety-day deferral in the pending pay adjustment for Federal employees. At the same time, I am also ordering the Director of the Office of Management and Budget to proceed with a reduction of 40,000 Federal civilian positions from those planned for the current fiscal year.

Therefore, as required by law, I am transmitting to the Congress a plan to defer Federal pay raises for ninety

days. This is intended to meet both the needs of those who serve the Government and the common interest of the general public, all of whom must bear the burden of increased inflation.

Under this plan, a pay increase for all Federal employees based upon an appropriate comparability adjustment would become effective on the first pay period beginning on or after January 1, 1975. The level of the comparability adjustment will be determined during the next few weeks. My "agent" on Federal pay, the Director of the Office of Management and Budget and the Chairman of the Civil Service Commission, has recommended an average pay increase of 5.52 percent. This recommendation is now being reviewed by the Advisory Committee on Federal Pay as required by the Federal Pay Comparability Act of 1970. This Committee will make its own recommendations to me in late September. At that time, I will make my decision on the appropriate comparability adjustment. I do not expect it to differ greatly from that recommended by my agent.

I regret asking for this postponement of a Federal pay increase, but there can be no doubt of its necessity. Federal employees affected by this action are the foundation of sound, effective and efficient Government.

Nevertheless, at this critical time in the economic health of our Nation, I call on all Americans to make sacrifices in order to hold down inflation. This requires that all of us cooperate to hold down wage and price increases. Federal employees, as one of the largest groups of workers in the country, have a unique role to play in the fight against inflation because every dollar of their pay comes from taxpayers. It is especially important this year, as we seek a noninflationary budget, that Federal spending be held to a minimum.

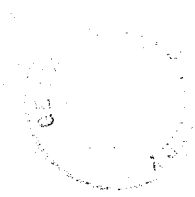
I urge the Congress to support this action, because it is in the best interest of all Americans.

The plan to defer Federal pay raises by ninety days is attached. As required by law, the plan represents an alternative to the October effective date which would otherwise occur.

In addition, I have now determined the specific reductions in civilian positions from those budgeted for the current fiscal year. The agencies will shortly be informed of these reductions by letters from the Office of Management and Budget.

It is extremely important that the Federal establishment hold employment to the absolute minimum needed to get the job done. Effective use of human talents is a wise use of the tax dollar.

The pay raise deferral and the reduction in civilian positions together will reduce the 1975 budget by about \$1 billion. Thus, the Federal Government is taking an essential first step in holding down the Federal budget and showing the way for restraint by all Americans.



*B*



FEDERAL PAY COMPARABILITY ALTERNATIVE PLAN

In consideration of the economic conditions affecting the general welfare, I hereby transmit to the Congress the following alternative plan, as authorized and required by section 5305(c)(1) of title 5, United States Code:

Such adjustments in the rates of pay of each Federal statutory pay system as may be determined under the procedures set forth in section 3(a) of the Federal Pay Comparability Act of 1970 (5 U.S.C. 5305), shall become effective on the first day of the first applicable pay period that begins on or after January 1, 1975.





C



ANNOUNCEMENT OF INTENTION TO  
REDUCE THE NUMBER OF FEDERAL CIVILIAN EMPLOYEES  
AND TO RECOMMEND FEDERAL PAY INCREASES  
EFFECTIVE JANUARY 1, 1975

I am today taking two actions which will reduce Federal spending by approximately one billion dollars. By taking these actions, the Federal Government will help set an example for the entire Nation in the battle against inflation.

First, I am transmitting to the Congress a plan which would defer pay increases for Federal civilian and military personnel from October 1974 to January 1975.

My message to the Congress calls upon labor and industry to display similar restraint in the coming months and may, therefore, make an important contribution toward the goal of a more stable economy.

Second, I have ordered the Director of the Office of Management and Budget to make a reduction of 40,000 in planned employment levels, as announced earlier, and to inform affected department and agency heads by letter of the new fiscal year 1975 employment ceilings.

All departments and agencies will be expected to hold employment levels to a minimum and, at the same time, to avoid distortions in overall program priorities.

I have the highest regard for those who serve in the Federal civil and military services. I believe that they are among the most dedicated groups of people in this country. For this reason, I know they will understand that the measures I am proposing are necessary in our common fight against inflation.

It is extremely important that the Federal establishment hold employment to the absolute minimum needed to get the job done. At a time when inflation is a serious problem, it is especially important that every agency concentrate its efforts on tasks of the highest priority. We must show the country as a whole that the Federal Government is organized well and working efficiently.

The Government itself must lead the way if inflation is to be overcome.

THE WHITE HOUSE  
WASHINGTON

11-8-74

*Message  
to  
Congress*

TO: PHIL BUCHEN  
FROM: KEN LAZARUS

For Your Information.

*No Phil:  
R*



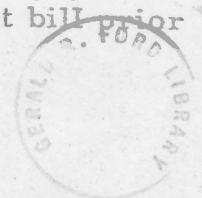
INSERTS FOR JUSTICE SECTION OF  
MESSAGE TO CONGRESS

\* \* \*

Federal Judgeships. In 1972, the Judicial Conference of the United States recommended the creation of 51 additional Federal District Court judgeships in 33 separate judicial districts across the country. Senate hearings on legislation incorporating this proposal were concluded in 1973. To date, however, this legislation has not been scheduled for floor action. The increasing backlog in the Federal courts makes this measure an urgent national necessity of a non-partisan nature, for justice delayed is oftentimes justice denied.

\* \* \*

Federal Rules of Evidence. Earlier this session, the House passed a bill to codify, for the first time in our history, evidentiary rules governing the admissibility of proof in Federal courts. This bill is the culmination of some 13 years of study by distinguished judges, lawyers, Members of Congress and others interested in and affected by the administration of justice in the Federal system. The measure will lend uniformity, accessibility, intelligibility and a basis for reform and growth in our evidentiary rules which are sadly lacking in current law. I strongly urge final action on this important bill prior to the conclusion of this Congress.



Please return  
to Eva



THE WHITE HOUSE  
WASHINGTON

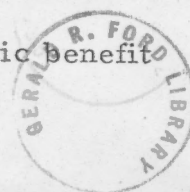
President  
Budget  
Message

January 11, 1975

MEMORANDUM FOR: ROY L. ASH  
FROM: PHILIP W. BUCHEN *P.W.B.*  
SUBJECT: The Budget Message (Draft of Jan. 9)

Following are points on which I have questions to raise:

1. P. 2, bracketed point: Here and elsewhere there are allusions to long-run federal budget problems, but I do not find any full treatment of the relevant issues.
2. P. 4, last paragraph: This implies that lack of energy self-sufficiency (i. e., no reliance on imports) is a recent condition and that correction involves "restoration" of a capacity we enjoyed not long ago. Also, is decline in worldwide agricultural production an absolute or relative one?
3. P. 5, middle of page: All consumer price increases, not just those of oil products, have operated in the manner of a tax increase to reduce real income of consumers.
4. P. 5, last paragraph: "Overshadow" seems to be an inappropriate word, and if "offset" is intended, can it be reasonably established that the deficits will not offset, or more than offset, the decline in inflationary pressures?
5. P. 6, last two paragraphs: I do not understand how both a decline and a slower growth in income can produce a fall-off in tax receipts. Also, is it sound to continue to defend budget deficits by arguing they would not occur if there were full employment?
6. P. 7, end of page: Last "to" should be "will".
7. P. 8, second para: Is there not to be a cap on automatic benefit increases?



8. P. 11, last sentence: This sentence introduces only a discussion of separation between federal and state or local responsibilities, not between public-sector and private-sector responsibilities. I question whether anywhere else the message establishes that the separation between the latter two divisions of responsibilities is "rational." This contention would seem to require that we understand how much private investment there will have to be to sustain the needed increase in energy-producing capacity as well as in other productive capacity and whether the sources for such high private investment requirements will be adequate despite the demands on money sources to finance federal deficits and international balance-of-payment deficits.

9. P. 23, first full paragraph: This essentially duplicates points made on page 4, and it presents example of unnecessary duplication within the message as a whole.

10. P. 24, first two paragraphs: The security to be felt by the elderly as a result of current domestic assistance programs is probably overstated. Also, extrapolation of the rise over the last 20 years in domestic assistance levels may not be appropriate because of the low ~~start~~ base 20 years ago.

THE WHITE HOUSE

WASHINGTON

JAN 9 1975

MEMORANDUM FOR:

✓ PHILIP W. BUCHEN  
KENNETH R. COLE  
ALAN GREENSPAN  
ROBERT T. HARTMANN  
JOHN O. MARSH  
DONALD H. RUMSFELD  
BRENT SCOWCROFT  
L. WILLIAM SEIDMAN  
PAUL A. THEIS

FROM:

ROY L. ASH

SUBJECT:

The Budget Message

Attached is the latest draft of the Budget Message. It contains a number of very sensitive statements, including a discussion of the energy proposals and the tax cuts. These statements are not contained in the version that is being more widely circulated in OMB. The attached version is receiving very limited distribution.

Attachment

Budget  
message

Phil A:

We talked to  
Cheney about this.  
But I suppose we  
ought to return to  
Ash with any  
additional suggestions.

I have made two,  
but did not check  
this version carefully.

P.





EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR:

PHILIP W. BUCHEN ✓  
KENNETH R. COLE  
ROBERT T. HARTMANN  
JERRY H. JONES  
JOHN O. MARSH  
DONALD H. RUMSFELD  
BRENT SCOWCROFT  
L. WILLIAM SEIDMAN  
PAUL A. THEIS  
ALAN GREENSPAN

FROM:

ROY L. ASH

SUBJECT:

The Budget Message

I am sending the attached page proof of the Budget Message to the President for his review. It should be in near-final shape and we are concentrating on corrections of errors and including final numbers. We will be sending final changes to the Government Printing Office Monday, January 27. However, any revisions that are significant enough to change the length of the text must be received no later than 5 p.m., Friday, January 24.

Attachment



THE WHITE HOUSE

WASHINGTON

February 15, 1975

MEMORANDUM FOR:

WARREN HENDRICKS

FROM:

PHILIP BUCHEN

*P.W.B.*

The first two sentences in the last paragraph on page 3 of the proposed Special Message by the President to the Congress are not explained.

It is not stated that the interim legislation will benefit Cambodia only at the intolerable expense of other countries entitled to benefits under the Foreign Assistance Act. Neither does the message state what the rate of spending will be for Cambodia from the Foreign Assistance funds as soon as the emergency legislation is passed, and thus it is not possible for anyone reading the message to ascertain the impact of passage of emergency legislation if the Congress should pass that legislation but not pass the legislation proposed on January 28.



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: February 15, 1975

Time: 11:00 a.m.

FOR ACTION: Phil Buchen  
Max Friedersdorf  
Paul Theis

cc (for information): Warren Hendriks  
Jack Marsh  
Robert Hartmann

FROM THE STAFF SECRETARY

---

DUE: Date: February 15, 1975

Time: noon

---

SUBJECT:

Emergency legislation for Cambodia

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren A. Hendriks  
For the President

*Pres. Message*  
*Hasek*

April 23, 1975

I am very pleased for this opportunity to commend the American Society of International Law for the enormous contribution its members make in this vital area.

In recent years, we have witnessed an intensive process of codification and compilation in many spheres of international relations. International law can no longer be considered a narrow specialty or a topic for students alone.

The learned journals of your Society deal with diverse topics of critical universal interest such as man's use of the seas, transnational pollution and the pricing of commodities in world markets. Although the policy of your Society is to take no position in these matters, you make it possible for the rest of us to do so on a more informed and intelligent basis.

I warmly congratulate you on a public service that continues to have such monumental importance for our nation.

GERALD R. FORD

Sent to: Mr. Seymour J. Rubin  
Executive Director  
American Society for International Law  
2223 Massachusetts Avenue, NW.  
Washington, D.C. 20008

GRF:Hasek:ck

cc: D. E. Downton/R. Nessen/P. Buchen/P. Theis/E. Hasek/CF

EVENT: APRIL 24-26, 1975

Requested by Mr. Rubin.

