

cover these expenditures in two ways. First, we negotiated with the Federal Republic of Germany (FRG) an Offset Agreement which had a total value of \$2.218 billion over the 1974-75 time period. The fiscal year 1974 portion of the agreement has come to \$1.150 billion. Second, our other NATO Allies have placed substantial military procurement in the U.S. They have been able to identify \$1.016 billion in such procurement, of which \$917 million can at this time be applied against fiscal year 1974 expenditures. The NATO Allies and the NATO Economic Directorate deserve our special recognition for their cooperation in establishing a liaison mechanism for identifying these purchases. Appendix A provides an accounting of our compliance with the provisions of the Amendment.

The Jackson-Nunn Amendment also called upon our Allies to assist the U.S. in meeting some of the added budgetary costs that result from maintaining our forces in Europe rather than in the continental United States. The major form of this budgetary support is contained in the two-year U.S.-FRG Offset Agreement. The agreement includes approximately \$224 million to rehabilitate badly deteriorated barracks and other troop facilities used by American military personnel in the FRG. The FRG also agrees to absorb about \$8 million of real estate taxes and landing fees directly related to U.S. forces in Germany. Finally, very considerable budgetary relief is implicit in the FRG agreement to purchase DM 2,250 million in special U.S. Treasury securities at a concessional interest rate of 2.5 percent. The interest rate which Germany could have obtained through investment of these funds in marketable U.S. Treasury securities would, of course, have been much higher. The purchase of securities made by the FRG pursuant to the agreement were made at times when the market was paying just under eight percent interest. As a consequence, the FRG will have foregone approximately \$343 million in interest over the life of these securities. Essentially this represents a budgetary gain to the U.S.

A final provision of the Amendment requires that we seek to reduce the amount paid by the U.S. to support NATO's Infrastructure Program. NATO recently agreed to a new five-year program (CY 1975-79) totaling \$1.35 billion. The Allies have agreed to reduce the U.S. percentage from the current official level of 29.67 percent to 27.23 percent. The new program also includes a special category of projects totaling \$98 million which benefit only American forces and which would normally have been funded in the U.S. budget. When this special category is considered, the effective U.S. share is approximately 21 percent. Likewise, the U.S. share of funding for the Common European Pipeline deficit has been reduced from 36 percent to 25 percent.

The Amendment specifies that 22½ months (July 1, 1973-May 16, 1975) of Allied balance of payments transactions can be applied against the FY 1974 deficit. The balance of payments data we have used have been based on only the

first 12 months of this period. We do not yet have complete data on Allied procurement expenditures during the last 10½ months of the statutory period. However, assuming that Allied expenditures in Foreign Military Sales (FMS) and commercial accounts remain at about the same levels as in FY 1974, there would be available an additional \$1.3 billion to offset our FY 1974 expenditures.

It should be noted that the Allied financial transactions reported here do not represent the total financial burden incurred by the Allies in support of U.S. forces in Europe. Our Allies absorb many of our troop-related operation and maintenance costs for facilities, building and repairing roads, and other payments which have a total value of several hundred million dollars a year.

A good economic argument can be made that some of our balance of payments expenditures would have occurred whether or not our troops were in Europe, and hence should not have been charged against the NATO balance of payments account. For example, the Department of Defense purchased approximately \$137 million of petroleum, oil, and lubricants (POL) in Europe during FY 1974, mostly for our Sixth Fleet operations. The great majority of these products were purchased from the Middle East. However, if the fleet had been brought home, its shift to U.S. POL resources would have forced other U.S. consumers to purchase their POL requirements from abroad. Thus, the impact on our balance of payments expenditures would have remained unchanged.

We should also recognize that, even if our troops were returned to the continental U.S., there would still be personnel-related expenditures for European goods and services. These personnel would continue to purchase some European goods. Also, we should not overlook the fact that some of our military-related balance of payments expenditures in Europe generate Allied or third nation purchases in the U.S.—both military and commercial.

Finally, we must consider that more than \$300 million of the U.S. defense expenditures in Europe merely reflect the effect of dollar depreciation. This depreciation was a contributing factor to the substantial improvement in the U.S. trade balance, but it has made relatively more expensive the goods and services purchased by our military forces in Europe.

GERALD R. FORD.

THE WHITE HOUSE, May 27, 1975.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,  
May 27, 1975.

HON. CARL ALBERT,  
*The Speaker,*  
*House of Representatives.*

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office

at 12:30 p.m. on Tuesday, May 27, 1975, and said to contain a message from the President wherein he transmits the Annual Report of the Administration on Aging for the fiscal year 1974.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,  
*Clerk, House of Representatives.*  
By BENJAMIN J. GUTHRIE.

#### ANNUAL REPORT ON AGING, 1974, UNDER OLDER AMERICANS ACT AMENDMENTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-167)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed:

*To the Congress of the United States:*

Section 208 of the 1973 Amendments to the Older Americans Act (Public Law 89-73) provides that the Commissioner on Aging shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act, not later than one hundred and twenty days after the close of each fiscal year.

Secretary Weinberger has forwarded the Annual Report of the Administration on Aging for the fiscal year 1974 to me, and I am pleased to transmit this document to the Congress.

GERALD R. FORD.

THE WHITE HOUSE, May 27, 1975.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, D.C., May 28, 1975.

HON. CARL ALBERT,  
*The Speaker,*  
*House of Representatives.*

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 4:55 P.M. on Thursday, May 28, 1975, and said to contain a veto message from the President on H.R. 5357, An Act to authorize appropriations to the Secretary of Commerce for the promotion of tourist travel.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,  
*Clerk, House of Representatives.*  
By W. RAYMOND COLLEY,  
*Deputy Clerk.*

#### AUTHORIZING APPROPRIATIONS TO THE SECRETARY OF COMMERCE FOR THE PROMOTION OF TOURIST TRAVEL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-168)

The SPEAKER laid before the House the following veto message from the President of the United States:

*To the House of Representatives:*

I am returning herewith, without my approval, H.R. 5357, which would au-

authorize appropriations totalling \$98,-125,000 to the Secretary of Commerce for the promotion of tourist travel.

This bill would reinstitute in the Department of Commerce a domestic tourism program to encourage Americans to travel within the United States. It also would authorize appropriations totalling \$90 million for the period July 1, 1976 through September 30, 1979, for continuation and expansion of the current program of the United States Travel Service to promote and facilitate foreign tourism in the United States.

My Administration proposed an extension of the existing tourism program through fiscal year 1979 at an annual authorization level of \$15 million to encourage foreign visitors to the United States. It opposed the reinstatement of a domestic tourism program, which would be unnecessary.

The promotion and management of domestic tourism should remain the responsibility of the private sector, especially the accommodation and transportation industries, and of state and local governments. Each of the fifty States has its own tourist promotion agency. I find no justification for the Federal Government taking on this role.

Moreover, the amounts authorized in the bill for the Travel Service's existing program are excessive, almost doubling the adequate amounts proposed by my Administration for the promotion of foreign travel to this country.

I find it necessary, therefore, to withhold my approval from a bill which would create an unnecessary new Federal program and unduly enlarge an existing program.

GERALD R. FORD.

THE WHITE HOUSE, May 28, 1975.

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that further consideration of the veto message from the President on the bill (H.R. 5357) be postponed until Tuesday, June 24, 1975.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

May 29, 1975.

HON. CARL ALBERT,  
The Speaker,  
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:00 p.m. on Thursday, May 29, 1975, and said to contain a veto message from the President on H.R. 4481, An Act making emergency employment appropriations for

the fiscal year ending June 30, 1975, and for other purposes.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,  
Clerk, House of Representatives.  
By BENJAMIN J. GUTHRIE.

#### EMERGENCY EMPLOYMENT APPROPRIATION ACT—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-169)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return without my approval, H.R. 4481, the Emergency Employment Appropriation Act.

Earlier this year, I asked the Congress for legislation to deal with the Nation's most immediate employment problems through an extension of public service jobs and a program of summer youth employment.

The Congress has taken this simple, straightforward and specific proposal and turned it into a bill containing a host of provisions of questionable value.

This bill, as presented to me, is not an effective response to the unemployment problem. It would exacerbate both budgetary and economic pressures, and its chief impact would be felt long after our current unemployment problems are expected to subside.

The bill authorizes spending of \$3.3 billion above my budget requests. Almost half of this added spending would occur in fiscal 1976 and an appreciable amount of spending would continue in calendar year 1977. Economic recovery is expected to be well underway by the end of 1975, and the accelerative influences of this bill would come much too late to give impetus to this recovery. Instead, those influences would run the risk of contributing to a new round of inflation later on.

In my address to the Nation on March 29, announcing my decision to sign the Tax Reduction Act, I stressed the need to keep the 1976 deficit below \$60 billion. This bill is one of many being considered by the Congress that, combined, would increase the deficit to \$100 billion or more. Already, Congressional actions and inactions have added \$7.3 billion to the 1975 deficit and \$4.4 billion to the 1976 deficit.

Such an increase in the Federal budget deficit would lead to an increase in Federal borrowing from private financial markets. These heavy Federal demands for capital could deprive business firms of funds needed for modernization and expansion of capacity.

Thus, H.R. 4481 would contribute to choking off the very economic growth it is intended to stimulate.

To help overcome the recession and high unemployment, I have proposed, and the Congress has enacted, a major tax cut. I have also proposed an extension of unemployment compensation benefits, together with increases, which are included in this bill for public service jobs and summer employment.

Further stimulus would hurt more than it would help our economy in the long run. H.R. 4481 provides for too much stimulus, too late, and I must therefore veto the bill.

The need remains, however, for a bill that will provide the funds I recommended for immediate and temporary employment through the public sector and summer youth jobs. Since student summer vacations are close at hand, I urge the Congress to pass such a bill as quickly as possible.

GERALD R. FORD.

THE WHITE HOUSE, May 28, 1975.

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I move that further consideration of the veto message from the President on the bill H.R. 4481 be postponed until Wednesday, June 4, 1975.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

A motion to reconsider was laid on the table.

#### CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 247]

Abdnor	Dodd	McEwen
Alexander	du Pont	McKinney
Ambro	Eckhardt	Macdonald
Andrews, N.C.	Eilberg	Madigan
Annunzio	Erlenborn	Mathis
Aspin	Esch	Metcalfe
Bafalis	Eshleman	Meyner
Barrett	Fish	Mezvinsky
Baucus	Fithian	Michel
Beard, Tenn.	Foley	Millford
Bell	Ford, Tenn.	Mills
Biaggi	Frey	Minish
Bingham	Fulton	Mink
Boggs	Goodling	Mollohan
Boland	Gradison	Mottl
Bowen	Green	Murphy, Ill.
Breaux	Hammer-	Murphy, N.Y.
Breckinridge	schmidt	Myers, Pa.
Burton, John	Hannaford	Nichols
Burton, Phillip	Harrington	Obey
Chisholm	Harris	O'Neill
Clausen,	Hébert	Pattison, N.Y.
Don H.	Henderson	Pettis
Cleveland	Hillis	Pike
Cochran	Holland	Rallsback
Collins, Ill.	Holt	Randall
Conte	Holtzman	Roberts
Conyers	Howard	Roe
Cotter	Jacobs	Roncallo
Coughlin	Jones, Ala.	Rostenkowski
Crane	Jones, N.C.	Roussetot
Daniels, N.J.	Jones, Tenn.	Ruppe
Delaney	Kazen	St Germain
Dent	Kemp	Scheuer
Derrick	Keys	ShIPLEY
Derwinski	Leggett	Slack
Dickinson	Lent	Snyder