

Your Washington Review Congressman ERRY FORD

May 15, 1963

Scheduled for consideration today in the House of Representatives is a bill to raise the "temporary" national debt limit to \$309 billion for July and August of this year. Recommended by the Democratic members of the Committee on Ways and Means upon demand of the Kennedy Administration, the bill, H. R. 6009, was opposed by all ten Republican members of the Committee. The Republicans urged that the current \$305 billion limit be maintained.

Republicans oppose an increase in the debt ceiling as one means of halting the Kennedy Administration's spending spree. The Kennedy deficits are created by increased spending and not by decreased revenue. Treasury receipts in 1961 were \$77.6; in 1962 they were up to \$81.4 billion, and for this year, \$85.5 billion. Expenditures in 1961 were \$81.5 billion; in 1962 they were up to \$87.8 billion, and for this year will be at least \$94.3 billion. With increased revenues and a high degree of prosperity, the Administration should live within its income or have the courage to ask for a tax increase. I think it is morally and ethically wrong for us at this time to follow a policy of deficit financing by which we enjoy material benefits to be paid for plus interest by our children and grandchildren.

To continually increase the debt limit to accommodate the Kennedy Administration's wobbly economic theories and reckless spending proposals is to support a policy of unlimited national debt. Secretary Dillon has said that according to Mr. Kennedy's present plans the debt will go to between \$315 and \$320 billion by June 30, 1964. To increase the limit now means to raise it further in a few months and then up and up and up. The time to halt increased spending, increased deficits, increased debts, increased interest costs, and increased taxes is now. It is encouraging to note that in the first four appropriations bills passed by the House \$754 million was cut from the President's budget for a 5.2 percent reduction. If members of Congress favoring economy have the dedicated support of citizens back home (including those who may benefit from greater spending), reductions in expenditures and in the debt can be made.

A POINT OF VIEW ON \$65,000: In today's budget a \$65,000 item is infinitesimal, but one such item brought a roll call vote last Wednesday which resulted in the \$1.4 billion supplemental appropriations bill being returned to its conference committee (joint House-Senate membership). The House had eliminated from the original bill but the Senate included \$65,000 earmarked for the "International Secretariat of the Middle Level Manpower." This turned out to be the secretariat for the International Peace Corps and the U. S. was to pay the expenses of delegates from 12 other countries at a meeting in Washington

beginning May 6th. These are not delegates from under-developed countries but included those from Canada, Denmark, Japan, Netherlands, West Germany, and Switzerland.

At the request of the Administration which at the very moment was paying the expenses of these foreign delegates, the American taxpayers were asked to hand over additional (supplemental) funds to meet the cost. The House voted 207 to 190 to instruct its conferees to eliminate this amount. It is significant that every Republican from Michigan voted to cut out this unnecessary expense. But every Democrat from Michigan, including Neil Staebler, our Congressman-at-Large, supported this waste of tax dollars.

MILITARY PAY INCREASE: The last basic pay raise for members of the armed forces became effective on June 1, 1958. Civilian federal employees received pay increases in 1958, 1960, 1962, and will get another raise on January 1, 1964. The Department of Defense this year recommended a pay increase for members of the Army, Navy, and Air Force. The House Committee on Armed Forces reported a bill which provides an overall average increase in basic pay for active duty personnel of 12.6 percent for those with more than two years of service. The total cost of the bill as recommended was \$1.19 billion a year.

The House adopted an amendment to provide \$55 a month combat duty pay for those under actual hostile firing as in Laos and Vietnam today. It is estimated that this will cost from \$1 to \$2 million a year unless there is a major change in world conditions.

I objected strongly to another amendment adopted by the House over the objections of its committee and the distinguished Chairman, Rep. Carl Vinson. The Committee had included in the bill a 5 percent increase in pay for those retired from the Armed Forces. The House approved an amendment which further increase's the pay of those who retired before June 1, 1958. For instance retired generals and admirals now getting \$12,180 a year were to get \$12,792 under the Committee bill, but will receive \$16,068 if House bill becomes law--an increase of \$3,888.

I am concerned with the ever-increasing cost of retirement pay for the military. In 1954, the defense appropriations bill of \$40.3 billion provided retirement pay of \$386 million or 0.96 percent of the defense budget. In 1964 the \$51 billion defense budget calls for \$1.1 billion in retirement pay or 2.28 percent of the total.

In 11 defense budgets from 1954 through 1964 the total costs have gone up 25 percent but cost of retirement pay increased 130 percent. In 1971 the cost of military retirement will be over \$2 billion a year and this will be an increasingly larger share of our annual military expenditures for the defense of the nation. This increasing annual cost of the military retirement program in future years could bring major changes. I don't want to see a good system in jeopardy and therefore opposed the additional increase voted by the House over its own Committee's recommendation. Justice, equity, and fairness, however, required that I support the military pay bill in all other respects.