Mr. CURTIS. You can interpret it any way you choose, but I am trying to get across the thought that the President has done nothing either in exortation or specifics to encourage the Congress to cut back on expenditure programs and appropriations.

Let's get to some more specifics.

Mr. SCHULTZE. Mr. Curtis, might I have 1 minute to answer your former question?

Mr. CURTIS. Yes.

Mr. SCHULTZE. The President, as a matter of fact, has talked long and vigorously and seen congressional leaders of both sides of the aisle, for example, with respect to the pay bill to try to avoid that $1 billion add-on going into the budget.

Secondly, the President in all these expenditures——

Mr. CURTIS. Has he said he will veto it?

Mr. SCHULTZE. Mr. Curtis——

Mr. CURTIS. I am being specific. If he would say, "I will veto this" I don't think the bill would come up to him, but has he said it?

Mr. SCHULTZE. Mr. Curtis, the President has indicated pretty clearly how unacceptable this bill is, but you are trying to tell me and the President precisely what kind of tactics ought best to be used.

Your judgment may be right.

Mr. CURTIS. Yes, I would like to suggest that.

Mr. SCHULTZE. Of course you do, but at the same time I don't think we are here to deal with a specific tactic as to how one gets a particular bill. That is your particular evaluation.

Mr. CURTIS. But, Mr. Director, when we deal in generalities we bog down in rhetoric, so let's deal in the details of this pay bill, which the President has said that the Congress shall not pass.

I have already pointed out one of the unfortunate things is that the 1966 inflation has created some of the impetus for this pay increase bill (just as it is behind increased wage demands in the private sector). As I see it, the last place that the Government or anyone should economize is on the living standards of the people.

Mr. SCHULTZE. But we are not economizing on the living standards of the people. We proposed a four and a half percent increase. We are not suggesting that that be withdrawn. What we are simply suggesting is that the additional billion dollars not be enacted.

Mr. CURTIS. I am suggesting that if we want to get through to the Congress on this and other areas the President make it clear that he would veto such a bill. He should also make it clear on some other spending programs that he would veto some of those but, above all, he should come to the Congress with a recision of some of these proposals he made in the budget we got this January.

Mr. SCHULTZE. I had some discussion yesterday with Mr. Byrnes on that point. The Congress has already been 7 months in session and we have three appropriation bills enacted. To come up now with a whole series of new appropriation bills, it seems to me, would end up keeping the Congress here until Christmas or beyond and we would very likely have far less cuts than if we do it the way we are now planning.

Mr. CURTIS. If this matter is as serious as you three have presented it, and I think it is, then Congress can well be in session until December to do it. If it is this serious and I think it is, and the President