So the only hard data that are currently available clearly indicate that total Government expenditures are coming down. Practically every agency had outlays lower than in June, which demonstrates that the agencies have been carrying out the instructions given them by the President in a memorandum to the agency heads the day he signed the Revenue and Expenditure Control Act of 1968. In that memorandum, the President called for caution in obligating funds even before the procedures I have just described could be put into effect, so that the necessary adjustments could be made under the law in an orderly manner. He also stated, "This must not be a mechanical, across-the-board exercise. All decisions should be made in the light of agency-wide priorities." We have also applied Government-wide priorities in developing our current planned cutbacks beyond those estimated to be accomplished by the Congress. The applicable figures are shown in the following table.

(The table referred to follows:)

ESTIMATED 1969 OUTLAYS AFFECTED BY THE REVENUE AND EXPENDITURE CONTROL ACT OF 1968

[In billions of dollars]

	Total	DOD, military, and military assistance	Civilian
January budget estimate	101.9	51.3	50.6
Amendments and reestimates	+.9	+.1	+.8
Subtotal	102.8	51.4	51.4
Estimate of congressional action	−3.3	−2.1	−1.3
Further reductions required under the act	−3.5	−1.0	−2.5
Current estimate	95.9	48.4	47.5
Current estimate compared with January estimate	−6.0	−3.0	−3.0

As the table shows, our best judgment at this time is that congressional action will result in a reduction of $2.1 billion in expenditures for the non-Vietnam military activities of the Department of Defense and for military assistance. We have revised upward by $0.1 billion the estimate of military assistance outlays. Our current cutback estimates call for an additional $1-billion reduction for defense programs apart from Vietnam, so that approximately half of the required $6 billion reduction would fall in defense and the other half in the civilian agencies.

In determining our plans for arriving at a $3-billion reduction for civilian programs, we have required all the agencies to share in the difficult job of reducing operations and services. We have, of course, taken into account the reductions already made or anticipated through congressional action. Overall, these reductions are estimated at $1.3 billion.

To achieve the remaining $1.7 billion of required administrative reductions in civilian programs, it will actually be necessary to impose cutbacks of about $2.5 billion because we will have to offset a substantial upward reestimate. The total reestimate reflects both increases and decreases, but is heavily influenced by increases of over $1 billion for farm price supports and public assistance grants to States—programs for which 1969 outlays are fixed by law.