

Mr. ZWICK. No, sir, because we are estimating—

Senator JAVITS. In other words, you assure us of that?

Mr. ZWICK. Yes.

Senator JAVITS. Suppose a person like myself advocated giving you all that flexibility. Would you be able to assure me that this would not vitiate the basic expenditure reduction concept?

Mr. ZWICK. That is correct. The basic expenditure reduction requirement is \$95.9 billion which the programs covered by the law must be held to, \$6 billion less than the \$101.9 billion as printed in the January budget. In the \$3.5 billion of cuts that we are now anticipating the administration will have to make, and assuming \$100 to \$200 million of it will be from the employment reduction, if the employment ceiling were taken off completely, then we would just have to find another \$100 to \$200 million somewhere else.

Senator JAVITS. But you would prefer that?

Mr. ZWICK. Yes.

Senator JAVITS. You feel you would be better off?

Mr. ZWICK. Yes, it is a much better way to run the Government's business.

Senator JAVITS. To run the Federal Government. That is very interesting. It may very well be, because there are now so many exemptions, that it does begin to emasculate what we had originally intended.

Mr. ZWICK. That is right.

Senator JAVITS. I have one last thing to ask which is rather technical, and it comes from remarks of our dear friend Congressman Bolling, who is so knowledgeable and an extremely able Congressman.

Is there a difference between a cut in congressional appropriations and a holdback by the President, based upon Public Law 364? In other words, we cut an appropriation and that is the end of it.

Mr. ZWICK. That is right.

Senator JAVITS. That is \$3.3 billion.

Mr. ZWICK. That is right.

Senator JAVITS. When you hold back money, is there any greater length of time in which it may then be released, or does that money have any different status from the finality, which means the end of it, with which we have cut it out of an appropriation?

Mr. ZWICK. I think I was going to say no until the very last comment you made, Senator. The first point that I would like to make, and the one I think Congressman Bolling was making, is that the difference is the abdication of responsibility by the Congress to the executive, on which I think tradition, the Constitution, and the President's attitude, are very clear—that he would propose, and if Congress did not like it—

Senator JAVITS. Would dispose.

Mr. ZWICK. The Congress would dispose of it and would change it if they wished, and the President feels very strongly right now that he sent up two budgets this year. In January we sent up one, and now in this summer review we have sent you another one, and we now hear that people are not pleased with the way we are making the cuts. We feel Congress still has time to do something about it if it wants to. You have both the time and the procedures available to you. You have a cleanup supplemental coming through and you could turn that, if you want to, into an omnibus appropriations bill, and redo the whole