

up. We just felt we had to bend over backward to be conservative, partly because as Congress exempts more and more agencies I even get less leeway.

Chairman PROXMIRE. What you have told us this morning will be helpful. I just wish if you could possibly document it any further you will do so.

Mr. ZWICK. Yes.

Chairman PROXMIRE. I will bring this up directly and personally with Senator Williams and with others who are leaders in this freeze, and see what we can do about it, because he has the same intention we all have. He doesn't want to see these agencies deprived of the necessary personnel. He feels, as he said over and over again, that you have the flexibility to do this, and apparently somebody is wrong. Either he is wrong or you are wrong.

Mr. ZWICK. No, Senator, there is a question of degree of flexibility on that issue.

First, I argued from the very beginning that inherent in this bill there isn't that much flexibility because the only way I can get positions is to take them away from somebody. And everybody has partisans, and I get letters from Congressmen. When I take care of the Renegotiation Board and take it away from the Agriculture Department, I suspect I would get more letters against that action—

Chairman PROXMIRE. 25 employees?

Mr. ZWICK (continuing). Than I would if—

Chairman PROXMIRE. You have got more employees than there are farmers.

Mr. ZWICK. Secondly, the question of the Veterans' Administration came up on the floor of the House. The Congress itself, the Conference itself, limited even more severely my authority by saying I should generally keep agencies at their June 1966 level. Because of that provision, which they put in their report, I immediately transferred some slots to the Federal Power Commission and to the Federal Communications Commission, which were below their June 1966 levels. It was the clear intention of Congress as reflected in the conference report that I do that. It isn't a question of whether 25 people would be more important in the Renegotiation Board or in Federal Communications or the Federal Power Commission. I didn't make that judgment. I just read the report of the conference managers and acted accordingly.

(Mr. Zwick subsequently supplied the following information:)

THE EMPLOYMENT LIMITATION PROVISIONS OF PUBLIC LAW 90-364

As part of the Revenue and Expenditure Control Act of 1968, the Congress required a mandatory rollback in Federal civilian employment to the June 1966 level, based on a fixed formula.

The Administration opposed this provision as an inappropriate way to reduce expenditures or promote economical management. Nevertheless, the Administration is actively implementing the law.

Within two months of enactment, Congress itself recognized the arbitrary nature of the employment rollback by granting exemptions to one-fifth of Government employment.

Some flexibility is given to the Budget Director by the law, but it is severely limited and will be further curtailed when the Veterans' Administration reaches its June 1966 level. Eventually the point will be reached when some agencies will not be able to fill any vacancies at all.

The Budget Director has received numerous meritorious requests for relief. However, any relief given to one agency must be at the expense of others.