

NIXON CONSIDERS AGENCY SHAKE-UP

Overhaul Would Create Four
Departments and Dissolve
or Alter Some Others

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SAN CLEMENTE, Calif., Jan. 10—A major overhaul of the executive branch of the Federal Government, including the creation of four new Government departments, has been proposed to President Nixon.

The idea, which also involves the dissolution of or radical changes in several existing agencies, is said to be under serious consideration at the White House.

Sources in Washington and in San Clemente, where the President is drafting his State of the Union Message, would not say whether Mr. Nixon had made a final decision to go ahead with the recommendations. The proposals are contained in various Presidential task force reports, including those provided last November by the President's Advisory Council on Executive Reorganization, headed by Roy L. Ash, chairman of Litton Industries.

Some of these sources said that the recommendations had received the most careful scrutiny and had been the subject of considerable internal debate at the White House.

From both fragmentary public evidence and private reports, it appears that under the reorganization package on the

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President's desk the following agencies would be created:

A Department of Community Development, combining the existing apparatus of the Department of Housing and Urban Development with some of the major urban-related programs of the Office of Economic Opportunity, such as the Community Action Program.

A Department of Economic Development—its precise title is not known—apparently by merging the Department of Commerce and the Department of Labor, and possibly other smaller government agencies that deal with the development of economic resources. The Treasury Department would not be included in any such merger.

A Department of Human Resources, based largely on the present structure of the Department of Health, Education and Welfare, but involving some internal reorganization of H.E.W.

A Department of Natural Resources, under which the present Department of the Interior would acquire some of the functions of the Agriculture Department, as well as other agencies.

Some of these ideas are new and some are old. Taken together they suggest the possibility of the most far-reaching effort to reform the Federal machinery since the New Deal. Not surprisingly, therefore, they have been the subject of intense debate within Mr. Nixon's official family.

Doubts Over Timing

One White House source said today, for example, that he had expressed some doubts about the proposals on grounds that they would be too much for Congress to absorb at a time when the Administration was fighting to win acceptance of major legislation on revenue-sharing, health, education and welfare.

The official pointed out that any major reorganization at the executive level would require some change in the committee structure of Congress and might therefore complicate the Administration's already uncertain relations with a Democratic Congress.

The proposed changes are sufficiently controversial and far-reaching. The source added, that he was still not certain as of last week whether they would be explained in any detail in Mr. Nixon's State of the Union Message, which will be presented to Congress within the next two weeks.

The fact that the proposals have generated great interest in the White House and intrigued the President is not in dispute. Nor is the fact that the proposals have been circulated within Mr. Nixon's official family.

One hint came last week from the Secretary of Housing and Urban Development, George Romney. At a news conference, Mr. Romney said he thought the name of his department should be changed to the De-

partment of Community Development because its concerns reached well beyond the inner city into suburban and rural areas.

Meanwhile, Mr. Romney told newsmen that it would be idle to speculate about small changes in the Federal apparatus because the proposals now on Mr. Nixon's desk went far beyond the mere consolidation of existing programs to the reorganization of much of the Federal machinery.

If Mr. Nixon in fact proposes a new Department of Community Development, it may mean further restrictions on the scope and authority of the Office of Economic Opportunity, which administers the antipoverty program, and whose eventual demise has been forecast since before Mr. Nixon's inauguration.

Some antipoverty programs have already been delegated to the Department of Health, Education and Welfare and the Department of Labor. In addition, an article in The New York Times last week disclosed that an internal task force had recommended that the \$380-million community action program—the flagship of O.E.O.'s efforts to relieve inner-city poverty—be merged with Mr. Romney's Model Cities program.

This recommendation was not inconsistent with proposals now before the President to pull most programs related to urban poverty and housing under a single roof with the title suggested in Mr. Romney's news conference.

Interior Dept. Mergers

The proposed Department of Natural Resources would pull together many of the Government's efforts to manage and protect parks, wild lands and other natural resources.

This would be accomplished in part by merging all of the existing functions of the Interior Department with some of the land-use and land-management functions of the Agriculture Department.

Under the proposal, according to earlier published reports, the new department would, for example, take over the Agriculture Department's Forest Service, whose duties already overlap with the Interior Department's National Park Service. It would also assume control of a number of other Federal efforts related to land management and natural energy. It would be headed by Mr. Nixon's designated Secretary of the Interior, the former Republican national chairman, Rogers C. B. Morton.

The third major recommendation—that the Departments of Labor and Commerce be merged in some kind of super-agency devoted to economic development—was proposed by President Johnson several years ago. Experts in and out of government have long argued that business, labor and consumer problems be treated in one agency whose primary concern would be the expansion of the nation's economic resources, particularly in disadvantaged areas and among minority groups.