

**The original documents are located in Box 12, “7/25/75 - Presidential Statement on Oil Decontrol Compromise” of the President’s Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.**

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**THE PRESIDENT HAS SEEN . . . .**

**PRESIDENTIAL STATEMENT**

**ON OIL DECONTROL COMPROMISE**

**FRIDAY, JULY 25, 1975**

IN THE EFFORT TO BREAK THE DEADLOCK ON ENERGY

LEGISLATION PRIOR TO THE AUGUST CONGRESSIONAL RECESS, I AM

PREPARED TO COMPROMISE ON THE CRITICAL ISSUE OF OIL DECONTROL.

I WILL SUBMIT TO THE CONGRESS LATER TODAY MY SECOND

ADMINISTRATIVE DECONTROL PROGRAM.

THIS NATION DESPERATELY NEEDS COOPERATION, NOT  
CONFRONTATION, ON THE CRITICAL ENERGY ISSUE. THE NEW  
COMPROMISE DECONTROL PLAN I PROPOSE WILL ANSWER THE  
LEGITIMATE CONCERNS RAISED BY MEMBERS OF THE CONGRESS  
DURING THE LENGTHY DISCUSSIONS WHICH HAVE BEEN HELD  
ON THIS PROBLEM.

THIS PLAN WILL GRADUALLY PHASE OUT PRICE CONTROLS

OVER A 39 MONTH PERIOD -- THROUGH NOVEMBER 30, 1978.

AS PART OF THE DECONTROL PLAN, A PRICE CEILING OF \$11.50 PER

BARREL WILL BE IMPOSED ON ALL DOMESTICALLY PRODUCED OIL.

ALTHOUGH THIS REPRESENTS A ROLLBACK ON ALL CURRENT  
UNCONTROLLED OIL PRICES, THE \$11.50 CEILING WILL GRADUALLY  
INCREASE BY FIVE CENTS PER MONTH OVER THE LENGTH OF THE  
PROGRAM.      HOWEVER, THIS CEILING WILL ASSURE THAT FUTURE  
INCREASES IN THE PRICE OF IMPORTED OIL WILL NOT AFFECT OUR  
DOMESTIC MARKET PRICES.

THIS PLAN IS A CRITICAL FIRST STEP IN REVERSING

OUR GROWING DEPENDENCE ON FOREIGN OIL. COMBINED WITH *a*

"WINDFALL PROFITS" TAX ON OIL COMPANIES AND REBATES OF ENERGY

TAXES TO THE AMERICAN PEOPLE, THIS PLAN WILL NOT HINDER OUR

ECONOMIC RECOVERY NOR RAISE PRICES DURING 1975. IT WILL

NOT ALLOW UNFAIR GAINS OR PRODUCE UNDUE HARDSHIPS.

AFTER CONGRESS REJECTED THE 30 MONTH DECONTROL

PLAN I SUBMITTED LAST WEEK, I WAS FACED WITH TWO CHOICES:

TO EITHER VETO THE PROPOSED EXTENSION OF PRICE CONTROLS

SCHEDULED TO EXPIRE AUGUST 31 ~~OR~~ SEEK A COMPROMISE WITH

THE CONGRESS.



I URGE THE CONGRESS TO ACCEPT THIS PROGRAM  
AND SIMULTANEOUSLY ENACT A SIMPLE THREE MONTH EXTENSION  
OF THE LAW.

TO ACHIEVE ENERGY INDEPENDENCE, THE CONGRESS AND  
THE PRESIDENT MUST WORK TOGETHER ON THIS AND OTHER PARTS OF  
MY COMPREHENSIVE ENERGY PROGRAM. I URGE THE CONGRESS  
TO ACCEPT THIS COMPROMISE SO THAT WE CAN GET ON WITH THE  
SOLUTION OF THIS MOST PRESSING PROBLEM.

END OF TEXT