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N E W S C O N F E R E N C E

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:15 P.M. EDT

OCTOBER 7, 1974

MONDAY

MR. NESSEN: I notice that some people told the President yesterday that his new dog was friendlier toward reporters than his Press Secretary is, so I am practicing and I hope to learn to wag my tail and probably come around and lick your faces every now and then. (Laughter)

Seriously, you have seen the President's schedule for yesterday and today. After attending services at St. John's, the President spent most of the rest of the day continuing to work on the speech he will deliver to the Joint Session of Congress at 4:00 on Tuesday. The way I had hoped to be able to do this was to go through the announcements and then come back and tell you a little about the meeting yesterday, if that is all right.

He met with a number of staff members who were here yesterday including Rumsfeld, Hartmann, Seidman, Simon, Buchen, Marsh, Kissinger, Skowcroft, and I also talked to him myself.

Q Is that the peeking order?

MR. NESSEN: No, no particular order. No, that is not the peeking order.

I will give you a rundown on the meeting yesterday when I get through all the rest of this.

This morning the President was in his office at 7:30. He met with members of the staff this morning too, and those are Seidman, Rumsfeld, Kissinger, Skowcroft, Hartmann and myself.

The President this morning received a report from the two senior AID officials whom he sent to Honduras to survey the damage from Hurricane Fifi and its aftermath.

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The report concluded the catastrophe was a major national disaster when you measure it both in human and economic terms. The President thanked the members of the team, who are Assistant AID Administrator Herman Kleine and the Foreign Disaster Relief Coordinator Russell McClure.

The President praised the courage of the Honduran people and the relief efforts conducted to date and pledged that the United States would join others in support of the Honduran's endeavors to rebuild their nation's economy.

So far the United States' relief efforts have totaled \$1 million 600 thousand. The report which they gave to the President is available to you, and I think it will answer a lot of your questions about Honduran relief.

At 12:15 the President is scheduled to meet with George Romney. He is now Chairman of the National Center for Voluntary Action. He has been chairman of the organization since January, and Mr. Romney asked for the meeting with the President to discuss the future direction of his nongovernmental and non-profit organization. Although the meeting has not been held yet, the President intends to tell Governor Romney that he strongly supports this concept of voluntary action.

At 12:30 the President will meet with Congressman Edward J. Derwinski. The President asked Congressman Derwinski to come in so the President could ask him his views on the status of U.S.-Polish relations. You may know the Congressman traveled to Poland this summer and met at that time with First Secretary Gierek, who will be meeting here with the President tomorrow.

President Ford and President Valery Giscard D'estaing of France have agreed to meet on December 14, 15 and 16 in Martinique. The meeting will provide the two leaders with an opportunity to review issues of mutual interest.

Q Why were you so far behind the French in announcing this meeting?

MR. NESSEN: There was an agreement with the French to announce the meeting jointly at noon Washington time. The story leaked out in the French press. The French government asked the United States Embassy in Paris, since it had been leaked, whether it would be all right to announce it ahead of time, and the American Government said yes.

I believe we tried to do as best we could here to catch this up before I came out here to talk to you.

The President is holding a meeting with the National Security Council at 2:45 this afternoon. The normal practice is not to announce the subject of NCS meetings.

The President and Archbishop Iakovos will meet this afternoon at 4:15. Iakovos is the Archbishop of the Greek Orthodox Church of North and South America. This meeting will afford the President and the Archbishop the opportunity to discuss matters relating to the situation in Cyprus, including the need for continued humanitarian efforts on Cyprus.

Q A question applying to that. Has the President met with Archbishop Makarios at all?

MR. NESSEN: I am certainly not aware of it. I think "no" is the answer.

Q Are you taking questions on these various announcements as you go along? I thought you wanted to save them until later, because I have a few myself.

MR. NESSEN: I suppose we could.

Q What is the topic of the National Security Council?

MR. NESSEN: I said we do not announce the topic of the National Security Council.

Q They have in the past, Ron.

MR. NESSEN: I don't believe they have, Pat.

Q They have from time to time.

MR. NESSEN: We won't today.

Q I have not seen the AID report yet, but I will, and I want to know, is the President satisfied that the American aid that was sent to Honduras went from these officials -- is he satisfied the aid went to Honduras or did it end up, as the Post reported this weekend, in Honduran Army warehouses for eventual disposition which, in any number of mysterious ways, has happened in Managua in the earthquakes. That is my number one question.

Number two question: Why does the President have to get a report from Congressman Derwinski on our relations with Poland when we have a State Department and a Polish desk, and might this be related, however justified, to the attempts of Congressman Derwinski in November for re-election?

MR. NESSEN: Let's take question one first. I saw the stories in the paper over the weekend about the aid to Honduras. What I suggest is that you can look through the report and see if that answers your questions, and if not, we will get further answers for you on any questions that are left hanging.

On the Derwinski visit, certainly none of this is meant to suggest that he is the President's main source of information about Polish-U.S. relations. He was there and he did meet with Secretary Gierek, and the President, on the eve of the Gierek visit, wanted to get his thoughts on what he had seen firsthand in Poland.

The President is leaving for Burlington, Vermont, and the dinner in honor of Senator Aiken at 5:15 this afternoon. Those of you who are going should know that the weather forecast is temperatures in the 40's and 50's with a probability of rain. You should plan to take raincoats and umbrellas.

We have already put out the press schedule for this evening and we will have an advance text and it should be available here at about 3:00.

The President is going to meet First Secretary Gierek at 11:00 tomorrow.

Q What time does the bus leave here?

MR. NESSEN: 3:30.

Q Is this a fund-raiser as well as a testimonial? Is it raising funds for Aiken?

MR. NESSEN: My understanding is that it is, Frank.

Q Is it fund-raising?

MR. NESSEN: My understanding is it is. It is a Statewide fund-raiser for the Republican Party of Vermont.

Q How much are the tickets?

MR. NESSEN: \$50 a plate and \$15 if you are a youth.

Q In that case, who picks up the tab for the Presidential party that travels?

MR. NESSEN: The Republican National Committee. I checked that after Fran asked last week. I checked that specific point. I am hoping to get together a more complete rundown of how these political trips -- precisely who pays for what, because I know there is some curiosity about it.

-Q Will there be a text, Ron?

MR. NESSEN: I said available here at probably around 3:00.

Q I think we have heard that the airport reception listed on the schedule has been scrubbed. Is that correct?

MR. NESSEN: I wonder if that could be because of weather. We will check that out.

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Q The reason I ask is up there the word is there were some protests being organized by students at the university to demonstrate against the pardon of former President Nixon. I wondered if you could confirm that the reception was scratched and if so, why?

MR. NESSEN: We will find that out.

First Secretary Gierek is meeting with the President tomorrow at 11. The arrival ceremony is at 10:30.

Prior to the President's economic address at 4 o'clock, we will have a briefing in Room 450 of the EOB.

Q What time?

MR. NESSEN: Let me get to that.

I don't have the complete details, but the way it looks now is that the briefing will begin at 2:30. That is in Room 450, and the briefing will primarily be given by Secretary Simon. There will be others there, so if you have questions in specific areas, they can help out.

The idea is to have the fact sheets and all the material available at 1:30 in that same room, and then you could come anytime you wanted from 1:30 to 2:30 and give yourself whatever time you want to read the fact sheets and so forth.

What is going to happen is once you go into Room 450, you are going to need to stay in Room 450 until shortly before the speech, or at the time of the speech, and we will have television sets set up in there for those of you who do not need to rush off to file but can stay there and watch the speech.

Q Does this material include the speech itself, the text?

MR. NESSEN: I feel absolutely sure it will.

Q Will we be able to file the speech under embargo before four o'clock? What is the wire situation?

MR. NESSEN: The wire situation is we will have to keep the speech off the wires until after four o'clock.

Q Can we file as in the past to our offices with the transmission embargo at four o'clock?

MR. NESSEN: My understanding is that the economic people do not want any filing before four o'clock. I think it is fairly standard on a major economic speech to try to keep the proposals in the speech as closely held as possible until the stock market closes.

Q You are saying, then, that we won't even be able to dictate advance copy to our desks until four o'clock?

MR. NESSEN: That is what they would like, and that is the way we will have to do it.

Q Will you have speeches sent to the Capitol? Will they be sent up there?

MR. NESSEN: My understanding is nobody is going to know what is in the speech before four o'clock.

Q Without being presumptuous, could I suggest it would be very helpful tomorrow morning if the regular briefing started at 11:30?

MR. NESSEN: I assume there won't be many economic questions left by tomorrow morning.

Q But there won't be any time left for the larger --

MR. NESSEN: No, I know, and I have to get ready myself so I definitely will do that.

Q Because of the phone situation, would it be possible for those of us at the White House to come back here after the briefing and hold everything until four o'clock?

MR. NESSEN: I think what we are going to do is to let you out of Room 450 in time for you to get from there to here to your phones by four o'clock. We did discuss that this morning, and that seems to be the arrangement.

Q How long is the speech going to run?

MR. NESSEN: The speech is not completed yet. Somebody remarked yesterday -- I was going to tell you about this when I told you about the meeting yesterday -- that the way it is now it is about two hours long. But obviously, it is going to be cut down, but it is going to be longer rather than shorter.

Q How long?

MR. NESSEN: The speech is not finished yet. I will get to comments about the speech in a minute. Let me finish telling you about the briefing.

We will get you out of the room on time for you to get from there to here and to your telephones by four o'clock. Secretary Simon needs to leave at twenty minutes of four so he can get in the car and go to the Hill for the speech so that sort of is about the time we will be breaking it up, maybe a few minutes after that, but the economic people are just insistent on not having anything known anywhere about the speech until the market is closed.

Your White House passes will get you into the EOB, and those who do not have White House passes who want to go to the economic briefing should call Jim Holland's office in the EOB. Television, canned film, can record the briefing. Materials, fact sheets and speech copies and so forth will not be available here. They will only be available over in Room 450.

Q Did you say that the briefing will be open?

MR. NESSEN: For filming and recording, but obviously not for use on the air until after four o'clock.

In answer to the question about Burlington, Vermont, there was no reception planned at the airport in Burlington, Vermont. Governor Salmon and members of the Congressional delegation and other State and party officials will be on hand to greet the President. It is only to last for about five minutes, and the President will go directly to the Ramada Inn in Burlington for a patrons reception hosted by the Vermont Republican State Committee, to be covered by the press pool.

Q Does that mean that is still in effect? That is what I was asking about.

MR. NESSEN: The reception?

Q Yes.

MR. NESSEN: The greetings at the airport?

Q Yes.

MR. NESSEN: That is still on, sure.

Q I am told that is the only bipartisan aspect of the trip, then, and word was it has been cancelled.

MR. NESSEN: Oh, no. We are not going to shove you off the airport grounds. That is open. The airport arrival is open.

Q Is the public invited to that airport arrival?

MR. NESSEN: It said no reception is planned, but these officials will be there to greet him. I do not know what the details are, but I cannot imagine they are going to keep people out of the airport.

Q It is at the National Guard Terminal.

MR. NESSEN: Thank you. It is at the National Guard Terminal.

Q Do you remember what happened at that airport in 1970 when Mr. Nixon was there?

MR. NESSEN: I am not aware of it. What did happen?

Q There was quite a bit of restricted entrance to the hangar, protected from rock throwing and so forth.

MR. NESSEN: Sarah asked about one million aliens holding jobs in the United States illegally, and what was the Administration doing about this? Last month the President sent to Congress a supplemental request for \$3.5 million for the Immigration and Naturalization Service to assist them in improving the border patrol.

In addition, there is a bill pending on the Hill, House Resolution 982, which would make it illegal for an employer to hire an alien who is not properly certified.

In addition, the United States Government has talked to the Mexican Government about the problem. I think shortly you will see further steps taken to deal with the problem that Sarah raised.

Q That House Resolution 982 has been stuck in the Senate Judiciary Committee for a long time. Is there anything the Administration can do to get it out?

MR. NESSEN: I will find out.

Q Ron, does the President support this bill to make it illegal for employers to hire illegal aliens?

MR. NESSEN: Do we support H.R. 982 We do.

Yesterday's economic meeting lasted for one hour and one half. Those in attendance were the President, Secretary Simon, Bill Seidman, Secretary Lynn, Roy Ash, Alan Greenspan, William Eberle, Bob Hartmann, myself, Paul Theis, Paul McCracken, and Ken Cole.

I think I can tell you that the major decisions or the decisions have virtually been completed and the speech is in the process of being written. A couple of the speech writers, I think, stayed up all night Saturday to have a draft ready to show the President yesterday.

Q Who were the speech writers?

MR. NESSEN: I don't think we name speech writers.

Q Was it the first draft that ran two hours?

MR. NESSEN: This was said as a joke at the meeting yesterday.

At the end of the meeting, as the President left the room he said to everybody there that, "I want to compliment you on a good job. I challenge anyone to do a better job." That is the end of his quote. I think my own interpretation of that is that he was probably referring to some of the stories about his economic planning being in chaos, and I have tried to explain the process that he has used which he seems happy with and which has reduced over 100 proposals from the summit meetings down to the ones he will give on Tuesday, in a period of less than ten days.

Q Was the President angry about those stories about his economic policy being in chaos?

MR. NESSEN: He did not seem angry to me.

Q Ron, is there any reason why Mr. Rumsfeld in his very key and vital position, was not in that meeting yesterday?

MR. NESSEN: I don't know what any reason would be. He is fully informed of the progress of this. He was in to see the President separately yesterday and also in meetings with others.

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Q Apropos of the fight against inflation, a page one story this morning pointed out that Egypt has now been given land in addition to the billions for Mr. Sadat's charity, the nuclear plant, and the helicopter.

How does the President feel about this vis-a-vis the effect on the economy in the United States, and also, where does he think Egypt will stop asking and what happens if Syria asks? Do you have any comments on this?

MR. NESSEN: I do. What I prefer to do is explain the land business, and the other questions I do not have answers to right now, but the fact is the United States owned a piece of land on which -- they have owned it for some time -- they intended to build a residence for the American Ambassador there.

Mr. Sadat lives, I am told, in a rather modest house, and in recent years high rise apartments have been built virtually all around his house, and his security people were not entirely happy about having high windows overlooking his garden and so forth.

So, they decided to build him a new house providing more security. An arrangement was made to trade the Egyptian Government the plot of land that the Americans owned for the Ambassador's residence for another piece of land which the Egyptians will give to us for that purpose.

Q The two pieces of land that are being swapped, are they of equivalent value? Have they been assessed, or in some way has it been determined that we are getting a fair bargain? The question was asked about the economic impact.

MR. NESSEN: I do not have that much detail on it, Jim. I did check it out because I thought perhaps somebody might be interested, but I did not go into enough detail to find out what the assessed value of each plot is. I could check that out further for you.

Q Can you say with certainty that this swap would have taken place whether we were in an oil jam right now or not?

MR. NESSEN: I cannot say one way or the other, but the way it was explained to me that was not a factor.

Q Is there any possibility that the President might ask for a delay in his hearing before the Hungate committee if a jury has not been paneled by Thursday?

MR. NESSEN: Would you let me finish up on the economy?

Q On the economy, is the President going to ask Congress for a surtax on corporations and on high income groups?

MR. NESSEN: As I said before, I am going to have to stick to not discussing any details of the speech at this late date.

Q Can you deny those stories?

MR. NESSEN: I am just not going to talk about specifics.

Q In connection with something that came up a couple of weeks ago, at least, but may not be in the speech but has to do with the economy, Roy Ash said in a few days -- he said this approximately two weeks ago, maybe longer -- we would have the impoundments, and I recognize your phrase for impoundments, on military spending out, available, and we have not seen it yet.

MR. NESSEN: Two recissions and deferrals have gone up there. Was the military not in either one of those two? We sent up one on Friday, and there was some military in there, I am told. I know two sets of recissions and deferrals have gone up there.

Q There was no briefing on the second set was there?

MR. NESSEN: I do not recall one.

Q There was a briefing, Ron, and I don't mean to be disputatious, but there was a briefing on the social welfare spending and the cuts in that?

MR. NESSEN: Right.

Q This raises a question why there was not a briefing on whatever military spending cuts were going to be held.

MR. NESSEN: I will check it and find out why that was not done.

Q While we are on that subject, you sent up a list of half a billion in military cuts. Senator Goldwater, who has always been considered something of an authority on the military, says that \$5 million could be cut from the military budget without harm. Does the Administration agree with that assessment by Senator Goldwater, and if not, why not?

MR. NESSEN: The President is aware of the Goldwater statement because I took it in and showed it to him this morning. I think on further specific cuts first of all you should wait and see what the President has to say about the budget in his speech, and I think also await further of those recissions and deferrals.

Q What was his reaction when you showed it to him?

Q Will there be further recissions and deferrals on military spending?

MR. NESSEN: I think we will wait and see how they come out, Jim.

Q Secondly, will he deal specifically with the question of military spending when he discusses the budget in his speech?

MR. NESSEN: I said I was not going to talk specifically about what was going to be in the speech.

Q What was his reaction when you showed him that?

MR. NESSEN: Interested.

Q Did he say anything?

MR. NESSEN: No.

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Q Does he have anything underway, either as a result of that statement by Senator Goldwater or earlier in the way of an examination of the possibility of further cuts in the military budget? Is there a process?

MR. NESSEN: Does he have anything underway?

Q In the way of search for?

MR. NESSEN: I think you know he has something underway in terms of keeping the budget at \$300 billion and below, and I think he said at one of his news conferences that there are no areas that are exempt from the process. I did want to say this about the speech, getting back to yesterday's meeting.

There was general agreement at the meeting that the proposals the President is sending tomorrow must be looked upon as a package and not looked upon as a shopping list for Congress or the Government or the American people to pick and choose what is easiest or most convenient to carry out.

The President believes that if he is going to meet his goal which is to control inflation by July 4 of 1976 -- and this might help clear up some questions we had last week about how long it will take -- he has announced that goal and he believes if his total package of proposals going up tomorrow is carried out as a whole, that he can reach that goal of controlling inflation by July 4 of 1976.

These proposals, I think, will call for restraint and self discipline and sacrifice by business and by consumers, and the President has emphasized and has emphasized by the Government itself, and the Government will not be exempted in any way from the kind of sacrifices and self discipline that he will be asking of everyone.

I think you can look for the speech to generally deal with three very broad areas. That is inflation, obviously, energy, and the state of the economy. (Laughter)

Well, I said very broad areas. But just to refine that a little bit, I think it is pretty obvious to everybody that the inflation has occurred primarily in the areas of food and energy. So I think you will hear some proposals relating to those two areas and I think you probably know some other areas yourself -- housing and interest rates.

Q Will the proposals deal with the very key point of monopoly, monopoly regulation by the Federal Government and fair pricing practices?

MR. NESSEN: I am just not going to go into specifics, Jerry.

Q Why does the White House, at least, persist in -- from time to time, at least -- saying that the principal cause of inflation has been increases in food and fuel when the industrial components of the consumer price index and of the wholesale price index has accounted for something close to 50 percent of the price inflation?

This question has been brought up before. I thought we had laid it to rest but you are going back to it here.

MR. NESSEN: Let me say two things about that, Jim. One is by saying food and energy, it does not mean that he is going to exclude the other areas that have had inflation.

Secondly, what I am going through is what was the general feeling among the economists in there. Certainly not -- I am just reporting to you what the general feeling among the President's economic advisers is.

Q Ron, to your knowledge, you say the President is going to talk about the state of the economy. I heard him say we are not going to have a depression. To your knowledge has he ever acknowledged that we are in a recession? Has he or any member of the Administration acknowledged we are in the midst of a recession? And a follow-up question: Does the President plan to acknowledge that?

MR. NESSEN: I am not fully aware of every statement that every economic spokesman for the Government has made, so I do not know whether it has been acknowledged or not.

Your other question was will he acknowledge a recession in his speech tomorrow, and the answer is I think we will have to wait to see what he talks about on that subject.

Q On this goal of 1976, can you tell me what inflation rate the President would consider within the definition of having control of inflation?

MR. NESSEN: I don't know the figure but that would be another thing we could get for you.

Q Apart from the speech, does the Administration support Senator Buckley's efforts to pass a bill providing for complete deregulation of natural gas?

MR. NESSEN: Does the Administration support the Buckley bill for a complete deregulation of natural gas? Even though you preface your question by saying "not connected with the speech tomorrow", I think what we better do is not talk in specifics about economic proposals today.

Q I asked that because he is getting assistance from the FEA in preparing the legislative proposal.

MR. NESSEN: I just would rather not talk about this specifically.

Q Will we have a chance fairly soon to ask the President some questions about the speech? Do you plan an early press conference now?

MR. NESSEN: Yes.

Q Do you have any specifics yet?

MR. NESSEN: I think we will give it to you very soon.

Q Last week you said the President did not envision placing a surtax on incomes. Has he changed that position as of last week or today, or does he still feel the same way?

MR. NESSEN: I do not recall saying that. I am fairly sure I did not say that.

Q You did say it in connection with a similar question on the gasoline tax surcharges or Federal tax.

MR. NESSEN: I think the only two things I spoke firmly on his opposition to were gasoline excise tax increase and gas rationing. I do not recall getting into any other areas, but the answer is going to have to be we have to wait for the speech now.

Q In connection with the emphasis on food in this speech, one had the impression covering the grain deal story over the weekend that the Administration was at cross purposes over this, and my question is, does the President feel that the Department of Agriculture did not handle this properly in view of the inflationary aspects of the food situation?

MR. NESSEN: The President does not blame the Agriculture Department for this. I talked to him a little bit about that this morning.

Q You say he does not?

MR. NESSEN: He does not blame the Agriculture Department for this. On balance, the President believes that the Department of Agriculture has done a good job, not just on this, but generally.

I have no further information to volunteer.

Q No Labor Department representatives have been mentioned as attending any of these planning meetings on the economic message. Does that mean that it will not include anything on more public service jobs or on more unemployment compensation?

MR. NESSEN: I am not going to talk about specifics, but I do point out that Secretary of Labor Brennan is a member of the Economic Policy Board.

Q Ron, do you have a comment on Senator Jackson's call for firing of Agriculture Secretary Butz?

MR. NESSEN: It was in that context, I must tell you, that I asked him about the Agriculture Department and the job they were doing, and the President has seen some of the stories about people demanding Mr. Butz's resignation.

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The President believes that Mr. Butz should not resign. On balance, the rest of the answer would be what I gave, which is on balance the President believes the Department of Agriculture has done a good job.

Q Is he going to ask Mr. Butz to at least find out why his informal relationship with the major grain companies, like Continental and these other outfits, did not come through to warn him ahead of time about this thing?

He did maintain his informal relationship with them. Did he ask him to find out what happened to that communication?

MR. NESSEN: I don't know whether he asked him or not, but let me tell you what the precise system is. It is that the grain companies' report on a weekly basis for routine grain sales and on sales of 100,000 tons or more they report daily to the Agriculture Department.

I want to point out to you that at this meeting this afternoon -- I mentioned that, didn't I, and said it was two o'clock at the Agriculture Department -- I will tell you about that. There will be a meeting at two o'clock this afternoon at the Agriculture Department, and it will be attended by the Secretary of Agriculture and by representatives of the North American Grain Exporters Association, by the Federal Grain Cooperative, and eight exporting companies, all the names of which I do not have.

The grain exporters will be asked at this meeting to strengthen and tighten up the present voluntary system of reporting, which I have just given to you. They probably will be asked to report on all large contracts before finalizing them and to point out the significance of that, this reporting system of reporting on a weekly basis on routine sales and on a daily basis on sales of over 100,000 tons, the procedure at the present time is to report after the contract has been signed and, as I say, at this afternoon's meeting they will be asked to report on all large contracts before finalizing them.

Let me say this: The meeting at two o'clock is an open meeting. It is going to be held in the Jefferson Auditorium at the Agriculture Department, an open meeting obviously means reporters can attend. I am told that reporters should not ask questions during the actual meeting, but that after the meeting in the same place, in the Jefferson Auditorium, Secretary Butz will hold a press briefing.

Q You say large contracts, by "large" you mean 100,000 tons?

MR. NESSEN: That is the current regulation, and I think in discussing a change in the reporting procedures, it is possible that the size could also possibly be discussed.

Q Ron, last week, October 3, the President gave a dinner honoring 120 retirees from Congress. Do you know if it was an oversight on his part to invite Congressman Brasko and Podell of New York, two men who have been convicted of serious felonies in conjunction with performance of their duty?

MR. NESSEN: I am told Congressman Podell did not come although he was invited.

The answer to your question is that -- and I asked about it myself -- that all those retirees from Congress or who will not be back to Congress, were invited.

Q Incidentally, the invitations on those went out before Podell pleaded guilty.

Q May I renew my question about the President's plans to request a delay to appear before the Hungate committee if a jury is not impaneled by Thursday?

MR. NESSEN: Can we come back to that question?

Q Can you ask somebody to get a correction on your press release that on the Honorable Roman Pucinski who served in Congress from January of '69 to November of '68?

MR. NESSEN: '59 to '68. I hope that is clear.

The President plans to appear as scheduled before the Hungate committee on Thursday. Any change in the date of his appearance would be made by Congressman Hungate and I suggest you check with him for any possible change, but at the moment, he does plan to appear as scheduled.

Q Are you suggesting that Congressmen on that committee might propose a change?

MR. NESSEN: I think you would have to ask them. I don't know.

Q Have there been any discussions between the White House and the committee concerning what to do if a jury is not impaneled and sequestered by that time?

MR. NESSEN: The answer is the President still plans to appear before the Hungate committee on Thursday.

Q Will you confirm or deny reports from the Hill that there is an understanding between Mr. Hungate and the President's staff that if the jury is not sequestered or picked by Thursday morning that Mr. Hungate will move to delay the hearing until after the jury is sequestered.

MR. NESSEN: I cannot discuss the Hungate appearance beyond what I have said.

Q Would you comment on the Newsweek reports?

MR. NESSEN: You are not ruling out these reports?

MR. NESSEN: I am not saying anything about it.

Q Can you address yourself to the Newsweek report --

MR. NESSEN: I would not leap to that conclusion.

Q -- which, as I understand it, reports that General Haig approached Vice President Ford a week before the resignation seeking a pardon of President Nixon?

MR. NESSEN: The President has agreed to go up to the Hungate subcommittee and answer the questions which were posed in the resolutions, and I am not going to talk about the pardon until he has had a chance to answer the questions that the subcommittee posed.

Q Then you refuse to comment on that?

Q Ron, does the President have any concern that perhaps he should not go before the committee if the jury is not selected by then?

MR. NESSEN: I am not going to discuss the Hungate appearance other than what I have said.

Q Ron, are there negotiations between representatives of Mr. Ford and Mr. Nixon's -- whether staff or attorneys -- on the revision of the tapes and documents agreement -- are those negotiations still in progress and is there a possibility the President may act on that matter before Congress does?

MR. NESSEN: The negotiations are still going on and I cannot give you any progress report on their status.

Q What do they have to negotiate if there has already been an agreement reached?

MR. NESSEN: As I understand it, it has been said before that the Special Prosecutor has raised some questions about the agreement and further negotiations are going on.

Q Ron, it is my recollection you took that question early last week and you were going to apprise us of the status of these negotiations. Can you give us some report on it a week later other than the fact the negotiations are still going on?

MR. NESSEN: Only that negotiations are going on and in a more detailed response to your question and the other, the purpose of the negotiations is to alleviate any concerns the Special Prosecutor's office has as to the disposition and availability of the tapes and documents and I cannot give you a progress report on the negotiations.

Q Back to the grain deal for just a minute. Secretary Kissinger said Saturday night he did not blame the Russian aggressiveness in going after these contracts and that the fault lay within the U.S. bureaucracy. Since the President does not blame the Agriculture Department, where in the bureaucracy does the President think the mix-up lay, or does he simply disagree with Secretary Kissinger?

MR. NESSEN: I don't know where he assesses the blame. The procedure in operation now was followed on this deal and one of the reasons for this afternoon's meeting, as I explained, was to tighten up and strengthen the present system.

Q Ron, is it the assessment of the Administration -- I am talking about the procedure now in effect -- the one-day requirement.

MR. NESSEN: Yes, sir.

Q If that procedure was complied with, the two companies, Continental and Cook, did indeed inform the Agriculture Department within one day of the time those contracts were signed.

MR. NESSEN: That is my understanding, Jim.

Q How do you account for the reports that the way the Administration found out about this was through heavy buying of futures on the grain market by these two companies?

MR. NESSEN: I don't know how to account for that except I checked this morning and was told the procedure was followed and the way this matter came to the Administration's attention was in the normal manner of the one-day notice being given.

Q One final question. The fact this meeting this afternoon at 2 o'clock is being held on a public basis, was that at the direction of the President? Let me break it down. First, did he direct the meeting be held? Did he direct a new procedure be devised, and did he direct that the meeting be open to the public?

MR. NESSEN: Jack sat in on that Saturday meeting. Do you have any answers to those questions?

MR. HUSHEN: He wanted the meeting to be held. He did not give any further direction beyond that except to say to work out a better procedure.

Q He directed the procedure, a new procedure, be worked out; he directed the meeting be held; did he also direct that it be public?

MR. HUSHEN: I don't think so. There is no discussion of that.

Q May I raise a question which I hope you won't think is picayune and presumptuous. The Administration has worked very hard to make clear that cosmetics are not involved at all in the fight against inflation. On that basis, can you tell me why it is necessary to pick July 4th of 1976, short of the hour, to declare victory over this thing? Why not June 23rd? Why not October 7th, or why not at all, but simply to say, "We are aiming for a solution within a reasonable period of time"?

MR. NESSEN: I don't know. That speech was given before I came here and I don't know what the reasoning was behind it.

Q Will you take that question?

MR. NESSEN: I certainly will.

Q Ron, would you look for the news conference this week, the one you said would be held soon?

MR. NESSEN: I would rather leave it at "soon".

Q Ron, back to the grain deal for a moment, please. What has been the reaction, if any, from the Russians about what may appear to be a welching on a deal?

MR. NESSEN: I want you to know that it is possible that some of this grain will eventually be sold to the Russians. One of the reasons that the grain companies were asked to voluntarily hold up and then cancel these contracts was that the contracts were announced just a few days before the revised crop report is coming out.

Q Whose crop report?

MR. NESSEN: The American Crop Report, and there was a frost in the Midwest -- that comes out on the tenth, incidentally, which is three days from now -- there was a frost in the Midwest and the United States needs a more accurate assessment of the crop size before deciding how much grain would be available. The United States does still consider Russia a valuable customer for its products and farm goods and wants a more definitive assessment and this new information on the size of the American crop comes out on the tenth of October. We do hope to sell at least some, and possible all, grain that they have requested. But we will have to wait on that until this crop report comes out. So, it appears that it was not the fact of the sale but it was, rather, the timing of the sale.

I do want to point out to you -- maybe you know this already -- that what the Russians want to purchase this year is considerably smaller than what they have purchased in the last two years.

Q But his question, I don't think, was answered, Ron, in all respect to whether it was timing or not. Have the Russians registered some protest to this action?

MR. NESSEN: I understand that Dr. Kissinger talked a little bit about this at his news conference this morning. I am not aware of a Russian protest, but I suggest you check his briefing to see if he addressed that specific point.

Q Why did the President refer to this grain situation over the weekend as a crisis? Is there something more involved?

MR. NESSEN: Did he use that word "crisis"?

Q Yes.

MR. NESSEN: Well, I don't know. I have just told you basically what the story is. It appeared that the sale was premature until we find out what the size of the American crop is going to be.

Q Ron, this goes back to the National Security Council thing. Is there any resulting action due to the Soviet Union satellites at the National Security Council vis-a-vis the grain denial?

MR. NESSEN: I don't understand that.

Q I am trying to gauge where the crisis aspect of this arrangement was. Was there a strong protest from the Soviet Union about it?

MR. NESSEN: About the sale being cancelled? I am not aware of one.

Q Ron, let me put it this way? If the Agriculture Department, I presume, is about to issue a report in two days, it stands to reason the figures are already in, and if the figures are already in and available to this Administration, why, then, are you delaying on a decision?

MR. NESSEN: Jerry, I don't know that the figures are all in. I am not a great expert on corn and since Secretary Butz is going to have this news briefing at 2 o'clock, that sounds like the kind of thing he might be able to address.

Q Ron, it has been revealed that the Vice Presidential-designate has given a substantial cash gift to the Secretary of State. Does the President have any feeling about that? Does he think it is wrong; and does he think the Secretary should return the money?

MR. NESSEN: The President has been assured that these gifts were legal and justified.

Q Assured by whom, Ron?

MR. NESSEN: I don't know. I can find out, though. And since the Governor's confirmation hearings are still going on, I would guess Congress would explore any further questions it has on the gifts.

Q Could I get to the message again? You described it as a package and emphasized it should be considered as a package. Does the President want Congress to consider it as a package? In other words, deal with the whole thing or will some of it have to go over --

MR. NESSEN: I said out here a couple of days ago that it will be designated in the message which parts of the package need to be approved before the end of the year and which the timing can be delayed, for various reasons, until next year.

Q When you are checking about just who it was told the President the gifts were legal and justified, will you also find out for us, if you don't know now, how he came to receive this assurance? Did the President, in other words, request that someone look into it, and did he then get the answer back? What was the procedure? Was he curious, was he concerned at this meeting, or what?

MR. NESSEN: We will check that.

Q To follow that, Ron, Governor Rockefeller has not yet agreed to make public the recipients of all his gifts. They total perhaps \$7 million to \$9 million for the ten-year period covered by the returns he submitted. Does the President want the former Governor to make all the information about his gifts public?

MR. NESSEN: I will ask that question, too, because I do not have the answers right now.

Q Has the President been told what other gifts there may have been, or were?

MR. NESSEN: I will have to check. I didn't go into this in very much depth.

Q Does the President intend to keep sending classified materials out to San Clemente, particularly in light of Congressman Moss's charge that Mr. Nixon is a security risk?

MR. NESSEN: I would like to separate that question into two parts and say that I do not want to say anything about Congressman Moss's statement. As far as I know, the President intends to continue the custom of sending foreign policy briefing material to former Presidents.

Q Is there any possibility of returning the 11 o'clock briefing closer to the vicinity of 11 o'clock than 12 o'clock?

MR. NESSEN: I was just about to say maybe we ought to make it permanently at noon because it looks like I can pretty much make it. If we announce noon, we will be able to make noon. I did not know until now --

Q We are already killing the afternoon papers now even moving it up to 11:30.

MR. NESSEN: We have talked before about this and as you see, when I come out here I have not had time, for instance, in the mornings to get all the answers. The only reason for holding it until noon is at least, in my little over two weeks here, in order to get as much information as I can, it seems to take me that long. Maybe I am not quite organized yet, but based on my experience of these couple of weeks, if we said 11 o'clock firmly, I would have a lot more answers I could not give you that would be carried over until the next day.

If that is all right, we could definitely get it down probably earlier.

Q Ron, there are newspapers that have to use all your answers the next day, if you start this late, including mine.

Q Is there any possibility of going back to two briefings a day; one at 11 o'clock and one at four o'clock?

MR. NESSEN: There has been some thought of that, I must say. Do people prefer a partly prepared briefing at 11 o'clock or a fully prepared briefing at noon?

Q Yes.

Q We have to have something early enough to do us some good.

Q What is the conclusion on the possible four o'clock briefing?

MR. NESSEN: I have not reached a conclusion yet.

Q You might consider holding it at 11 o'clock. Give us what you have got. If it seems, in your view and in our view, that there is a lot left over, you could schedule right then and there a four o'clocker. It would not have to be on a regular basis if there didn't seem to be a lot left over.

MR. NESSEN: That is sort of the same thing we have been thinking about, Jim.

Q I would like to get off this subject and get back to something else.

MR. NESSEN: Is there general agreement on this kind of two-a-day briefings? Not every day, but if there are a lot of left-over questions?

Q Yes.

Q What time have you decided on?

MR. NESSEN: We have not quite decided. Let me talk it over with my staff.

Q What about putting a lid on?

MR. NESSEN: Aren't we giving lids? You mean like lunch lids?

I think part of the reason for that is -- there is a feeling in the press room of not wanting any news to come out of here while everybody has been assured it is safe to go. I think maybe we have erred on the side of caution which has disrupted people's lunches, but I am concerned about maybe a picture or a statement will come up and everybody will be out to lunch.

Q Can you tell us whether the President will be seeing his economic advisers at all today? In other words, you say that they are finalizing the decision and would you describe the NSC meeting as routine?

MR. NESSEN: I am not going to talk about the NSC meeting. Are the economic advisers on the schedule at all?

Q They are not on the schedule.

MR. NESSEN: For instance, Seidman was in to see him this morning.

THE PRESS: Thank you.

END

(AT 1:20 P.M. EDT)