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NEWS CONFERENCE

#144

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:07 A.M.

FEBRUARY 13, 1975

THURSDAY

MR. NESSEN: The President met briefly with members of the National Voluntary Service Advisory Council this morning. This is an advisory group to the ACTION program. The President received the first annual report of the Council. This Council was appointed a year ago and was charged with advising the Director of ACTION and reviewing the work of that agency.

At 12:15, the President will be departing the South Grounds by motorcade to attend the wedding of Miss Nancy Lammerding and Mr. L. Nicholas Ruwe, at the Chapel of the Apostolic Delegate. There will be a travel pool whose names we have posted, and the President will return to the White House at 1:30. I am told that press coverage -- I think, at the request of the couple -- is not permitted at the wedding itself.

The President has a meeting here at 2 o'clock this afternoon with Senator Bob Packwood. Senator Packwood requested the meeting with the President to discuss the legislative schedule in the Senate.

At 2:50, the President will depart the South Grounds for Andrews Air Force Base for the trip to New York.

As you know, his first speech will be to the New York Society of Security Analysts at the headquarters on Wall Street.

Larry Speakes and Bill Roberts can clear up any questions you may have about coverage of that. The President's speech will be available.

The President is making some revisions and additions to both New York speeches, and we hope to get both speeches as soon as we can, but as I say, the delay is that the President is revising them.

Q Those will be available here?

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MR. NESSEN: We hope at least the first one will be available here.

Q Do you have some time, roughly?

MR. NESSEN: Well, let me see. I think we will just put out the Security Analysts' speech for flat release, and we will put out the New York dinner speech for a.m. release. That is for 6 o'clock p.m. use. You will get it before 6 o'clock.

Now, we have a nomination to announce today. The President is announcing his intention to nominate Carla Anderson Hills of California to be Secretary of Housing and Urban Development. She succeeds James T. Lynn, who was sworn in as Director of the Office of Management and Budget on the 10th of February.

Since April of 1974, Mrs. Hills has been Assistant Attorney General in charge of the Civil Division at the Justice Department. She has served as an adjunct professor of law at the University of California, at Los Angeles, and, also, as an Assistant U. S. Attorney in Los Angeles from 1959 to 1961. Mrs. Hills studied at Oxford University and received here A.B. degree from Stanford University in 1955.

She earned here law degree from Yale University Law School in 1958, and I think we have handed out a complete biography of Mrs. Hills.

Q Is she a Republican?

MR. NESSEN: We will get that.

Mrs. Hills would be the third woman Cabinet member. The first one was Francis Perkins, who was Labor Secretary from 1933 to 1945, and Oveta Culp Hobby was the first Secretary of HEW from 1935 to 1955.

Really, the only reason I called the briefing today was to announce that Carla Hills' appointment, so, basically, I don't have anything else.

Q If the Senate passes the bill that would roll back the tariff on imported oil, does the President intend to veto that?

MR. NESSEN: He doesn't like to commit himself to what he will do with legislation until it actually gets here.

Q Is he nominating Mr. James Cannon to be Executive Director of the Domestic Council?

MR. NESSEN: I don't have anything to announce, Pete, on the Domestic Council job.

Q I have read over this biography of this lady, and I have a question. What does she know about housing?

MR. NESSEN: The President appointed her to this job, primarily, because she was highly recommended as a person who is an extremely competent lawyer and, also, as an extremely competent administrator. Mrs. Hills is a Republican. Mrs. Hills is acquainted with many of the legal problems facing her because of her work at the Justice Department. The Civil Division, which she is in charge of, has a task force which prosecutes housing fraud cases where Federal laws are violated, so she does have some knowledge of the problems she will face when she takes over the Department of HUD.

Q What is the salary on that?

MR. NESSEN: \$60,000 a year.

Q What is her present salary in Justice?

MR. NESSEN: I think we ought to know that. It is \$38,000.

Just to further answer that question, she also, when she goes to HUD, will have a team of Under Secretaries and Assistant Secretaries, who are fully familiar with the operation of the housing programs, and it is primarily because of her great reputation as an administrator that the President is appointing her to this Cabinet job.

Q Has he met her?

MR. NESSEN: I am sure he has.

Q Did he talk to her personally about this?

MR. NESSEN: Oh, of course.

Q Is the Administration arranging a trip to Vietnam for some Members of Congress?

MR. NESSEN: I think I mentioned that one morning, after the breakfast that the President had with Congressional leaders; I guess it was last week that the President suggested that Congress send a delegation to Vietnam -- actually, to Indochina -- to make its assessment of the American responsibilities there and of the situation there and to report their own findings to the President and to the American people.

Where it stands now is that the Administration is working with some of the Congressional leaders to put together this delegation, and they are expected to visit Vietnam sometime in the next couple of weeks. A number of Members of Congress and Senators have already agreed to join the delegation, and when it is fully put together, we will announce the names and their travel plans.

Q About how many will there be?

MR. NESSEN: About 20.

Q Are they going to Vietnam or to Indochina?

MR. NESSEN: Well, to Vietnam and Cambodia.

Q Will there be Members of the House and Senate?

MR. NESSEN: There will be Members of the House and Senate, Republicans and Democrats, hawks and doves, men and women. What other categories are there?

Q Are there any hawks left?

MR. NESSEN: I don't know what you would call a hawk, but they will represent a full range of opinions on Vietnam.

Q I don't want to set you off, but how would this differ from all of the Vietnam junkets which were taken during the Lyndon Johnson era?

MR. NESSEN: Well, I don't know, Walt. I think you have to wait and see what the composition is. I mean, you have to assume that 20 Members of Congress, of both parties and various philosophies, are going there with the idea of making an honest assessment of what they think the situation is, and I think it would be wrong to say in advance that they are going there with closed minds, or their minds made up. I don't really think that that is fair to them to say that.

Q Will someone from here be going with them?

MR. NESSEN: I don't think it has progressed that far along, that we would know what the composition is.

Q Can you say, now, whether the delegation might visit North Vietnam?

MR. NESSEN: I haven't heard any plans for that, Russ. The plan would be to go to both Vietnam and Cambodia.

Q What about Laos?

MR. NESSEN: I haven't heard anything about going to Laos.

Q Will they make their own selection?

MR. NESSEN: Yes. The leaders and the Administration are putting the delegation together.

Q Senator Nunn of the Senate Armed Services Committee was out in Vietnam during the holidays, and he has written quite a lengthy report with some recommendations about how aid to Vietnam should be handled. I just wondered if the President has talked to him since he has been back, or if he has seen his report, or read his recommendations.

MR. NESSEN: We will have to check.

I also saw where Congressman Ryan, for instance -- in answer to Walt's question -- who, I guess, has spoken out as strongly as anyone about the War, recently made a trip out there, and I don't know what the circumstances of it were, but I saw something in the paper the other day where he had come back with some modification of his views. I think you would have to say that these Members or Congress are going out there to make an honest assessment.

Q Will members of the American military be accompanying the delegation?

MR. NESSEN: John, I don't know exactly what the mechanics are of their going, but when the delegation is completed, we will announce what their plans are and who goes with them and so forth.

Q Is there a feeling by the President that an inspection on the ground there in both countries would, perhaps, give them a more realistic view of what the situation and needs in South Vietnam are and what the role of the United States should be?

MR. NESSEN: The President has not heard from Senator Nunn at this point about his trip. I am sorry.

Q I asked whether the President is considering following his own advice to go to Vietnam.

MR. NESSEN: I haven't heard any plans for that.

Q If this delegation decides that South Vietnam does not need the \$300 million, would the President then drop his insistence that Congress go ahead with it?

MR. NESSEN: Well, he certainly will listen to what they come up with. Based on the reports he has received, he believes that the \$300 million is a minimum, and it certainly is what Congress authorized for this year.

Let me do what I started to do and caught Helen's attention by not doing it. There have been some stories in the papers and in some of the news magazines concerning Dr. Kissinger's recent speech to the Press Club, concerning the future price levels of oil, and the impression, I think, based on what I have seen in these stories, has gotten around that there is some sort of disagreement within the Administration as to the need for price stability. So, let me say something about that and perhaps straighten out any misunderstandings.

When the President put his energy program together, a firm decision was made that there was a certain uncertainty with respect to world oil prices, which could jeopardize the drive for domestic energy independence because domestic producers would not be assured of a price that would justify their drilling for oil and exploring other methods of obtaining energy. So, the President announced, in his State of the Union speech, in his words, "To provide the critical stability for our domestic energy production in the face of world price uncertainty, I will request legislation to authorize and require tariffs, import quotas, or price floors, to protect our energy prices at levels which will achieve energy independence.

The President has not made a final decision of precisely what mechanism will be used to provide for this price stability, or the timing of when he will ask to have these methods put into effect, and he has not decided on what level of oil prices would be needed to accomplish that. Before he makes those decisions, he thinks two things need to be done. One, that the Secretary of State will discuss the question of price stabilization with the other consuming nations and develop a further understanding of their views on this proposal, and the Federal Energy Agency will undertake an analysis on the various mechanisms that could be used and the level of such a price stabilization mechanism and what its impact on domestic prices and production would be.

The President did request that the Secretary of State mention this in his speech to the National Press Club, and, if you compare the words, you will see that it is very similar to the wording the President used in the State of the Union Message and what the Secretary of State said at the Press Club represents the present policy on this matter.

What the Secretary of State said was that the President is seeking legislation requiring the Executive Branch to use a floor price, or other appropriate measures, to achieve price levels necessary for our national self-sufficiency goals.

I just wanted to do that to clear it up.

Q Is he backing off from the floor price? It sounds that way. It sounds like he is.

MR. NESSEN: Absolutely not.

Q If he is going to take further soundings --

MR. NESSEN: He has not backed off from the concept of the need for establishing a price level which would assure domestic producers that they can count on a price at which it makes it economically possible for them to produce oil from other sources. What has not been decided is the mechanism, the timing and the level, but the President has announced -- and it is Administration policy that he will ask for legislation to do that.

Q Is Secretary Simon fighting it?

MR. NESSEN: Oh, no. This is the Administration's policy, and Secretary Simon follows the Administration's policy.

Q Back to the Vietnam trip -- if the delegation does materialize and if a group does go to Vietnam, will this be a White House trip in the sense that the White House picks up the bill for it, or the Defense Department, or how will it be organized?

MR. NESSEN: I don't have the mechanics of that trip yet, but before they go, or when they go, we will have that.

Q For these purposes, it will be, in a sense, proposed by the White House, at the White House initiative?

MR. NESSEN: Well, I am not sure about that. The President has suggested that this might be helpful, and whether the Congress then picks it up and carries it on at its own expense or initiative, I will have to find out -- and I will find out.

Q Let me go back to this oil thing for a moment and further approach it this way: has Secretary Simon expressed a view in Administration discussions of this question that more reliance should be placed and more emphasis should be put on the ordinary risk of practices, I guess you would say, of American business? In other words, has he taken the position that the question of exploration and development of new oil, when the Administration looks at it, should take more into account, perhaps, than has been taken into account, this ordinary willingness of businessmen to risk, to take risks and put up their own money to develop things like this? Is this the position he has been taking?

MR. NESSEN: Jim, I am not completely aware of all the discussions that went on within the Administration on this matter. I think, really, Secretary Simon could help you with what his views were before the decision was made, but what I am saying is that this is Administration policy and I am just not familiar enough with the debate that went on to fill you in on the Secretary's views.

Q Is it a fair statement to say, or to conclude, that Secretary Simon believes that the floor price should be somewhat lower than the floor price that Secretary Kissinger envisages?

MR. NESSEN: Well, that is a matter for the FEA, as I say, to look into and analyze. There is general agreement that the level needs to be somewhere between \$7 and \$9. I have heard no serious disagreement with that. The FEA will make this analysis that the President has asked for, to come up with the precise level and mechanism. Really, you should not get locked into calling it a price floor because the mechanism has not been decided upon.

Q Whatever you want to call it, are you saying to us that Secretary Simon agrees with a general range of \$7 to \$9?

MR. NESSEN: As far as I know. I have not heard anything to lead me to believe otherwise, but I think that you need to talk to him about his views.

Let me make one other short announcement, if I may. The President today issued a statement, which Larry will give you before you leave the room, in support of the Administration's proposed legislation for long-term financing of the Corporation for Public Broadcasting.

This legislation is being transmitted today to the Congress by the Office of Telecommunications Policy..

The President wrote a letter supporting this legislation last year, which was read at the 50th Annual Convention of the National Association of Educational Broadcasters last November. If you have any further questions about the letter and the legislation which Larry will give you, the OTP is prepared to answer your questions.

Q Ron, are there any plans or any discussions of currently releasing any more impounded funds in construction and other areas?

MR. NESSEN: Not at the moment.

Q When President Ford nominated Mrs. Hills to the Cabinet, was the fact that she was a woman a factor?

MR. NESSEN: It was not.

The President has made clear that his intention is to staff his Administration with the best people he can find and Mrs. Hills is the best person he can find for this job. And her sex was not a factor.

THE PRESS: Thank you.

END (AT 11:32 A.M. EST) #144