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FEBRUARY 18, 1969 OFFICE OF THE WHITE HOUSE PRESS SECRETARY

FOR IMMEDIATE RELEASE

THE WHITE HOUSE PRESS CONFERENCE OF SENATOR EVERETT MCKINLEY DIRKSEN AND

AT 10:25 A.M.

SENATOR DIRKSEN: Generally speaking, this is what we discussed this morning:

CONGRESSMAN GERALD R. FORD

Number one, sort of a restructuring in the Post Office. That deals with personnel and some other matters. I am not going to try to give you any details and in the interest of the economy of time you will save your questions, because you are going to hear about this later this afternoon and tomorrow when there will be a message and also a statement by the Postmaster General.

The second thing we discussed was the Office of Economic Opportunity. That is the Poverty Program. Generally speaking, we talked about the possibility of making it -and I think this is important -- an initiatory agency instead of an operating agency. In other words, it is kind of an incubator, if you don't mind the term, where they can initiate programs and then in proportion, as they make them feasible, they can then farm them out to other agencies and departments of government.

That is about all the details I care to give you there, except to say there will be improved management of OEO and a community action aspect of OEO will be retained, those are the Community Action Programs. But, obviously, at both a regional, local and national level, they are going to have to be improved.

CONGRESSMAN FORD: I might add this about the Post Office Department. The Postmaster General is coming up to meet with the Members of the House on the Republican side tomorrow morning to explore in greater detail and depth what these proposals are. And then, as I understand it, subsequently tomorrow he will have a full-blown press conference to explain to the press what he has in mind.

The point about the OEO: There are further consultations going on between the Executive Branch and Members of the House and Senate, both Democratic and Republican, but there is anticipated to be a message, probably tomorrow or the next day, outlining what the White House has in mind after this consultation.

Now, the messages this week; one will be on the debt ceiling; one will be on the OEO, the proposed changes after the consultation; there will be one on the Post Office Department, we hope, by the end of the week; and also one on the Electoral College Reform.

Those are contemplated this week from the White House to the Congress.

(OVER)

Q What form will the Electoral College proposal take?

REL C. VIATEREE

CONGRESSMAN FORD: I wouldn't pre-empt what the President is going to say. But I think he will re-emphasize his great interest in Electoral College reform, pointing out that he believes that the Electoral College vote should more closely reflect the popular vote. But he does believe, basically, in the integrity of the Electoral College.

Q He talked, Mr. Ford, in terms of dividing each State's Electoral votes proportionate to the State's popular vote. How do you think that would go over in Congress?

CONGRESSMAN FORD: The House and Senate Committees on the Judiciary are currently holding hearings on the whole subject matter. I think it is more important, and I believe the Congress feels this way, to get reform than to have any specific plan at this point frozen in. We have got to avoid the possibility of a Constitutional crisis in 1972, which means we have to get a plan that will get two-thirds of the votes in the House, in the Senate, and three-quarters of the State legislatures to approve. Therefore, rather than tie ourselves down at this moment to a particular plan, we have got to give some broad recommendations and get the votes in the House and Senate and also the State legislatures.

Q Do you think there is enough objection to the President's thoughts on this where it would not be practical to assume that?

CONGRESSMAN FORD: I am not sure that there has been any solidification of House and Senate views on this matter as yet. I think there is a high degree of unanimity that we must have reform. After the hearings, we will be in a better position to actually focus in on one plan that can get the necessary votes.

Q Mr. Ford, what is the thinking behind making OEO, what you call it, as an initiatory agency? What do you gain by that?

CONGRESSMAN FORD: I think the public generally has the feeling that OEO has done a good job in bringing to the surface the problems in the area of poverty and coming up with some new ideas for the solution. But, at the same time, the operations under OEO have not been as satisfactory as the public expects them to be.

If there is to be any restructuring, transferring functions from OEO over to the old line agencies, it is hoped that a better management and improvement in efficiency and economy can be achieved.

Q Mr. Congressman, could the President do any of this transferring before the Executive Reorganization Act is extended?

CONGRESSMAN FORD: Yes, it is possible for the President to delegate certain of the functions of OEO to some of the old line agencies.

On the other hand, you can't make a physical transfer under the law. So these exploratory meetings with House and Senate Committee Members is aimed at emplaining what they intend to do on a temporary basis, the delegation with the long-range improvements coming by actual legislative action in the area of transfers.

Q Senator Dirksen, could you tell us, please, whether or not the visit of Ambassador Dobrynin came up and what was said and what the Republican Leadership said about it?

SENATOR DIRKSEN: No, it wasn't discussed.

Q Senator, what about the debt ceiling?

SENATOR DIRKSEN: We didn't get a figure this morning. But being on the Senate Finance Committee I did raise the question concerning whether or not it would be one of these temporarily temporary debt ceilings. But it is not going to be. We are going to put it in a package so that they don't have to come back to the Congress in the future.

SENATOR DIRKSEN: No, the Treaty was not discussed.

Q How about tax reform?

SENATOR DIRKSEN: Tax reform, only to the extent that there will be a message on tax incentives, particularly with reference to the poverty areas.

Q When might there be a message?

SENATOR DIRKSEN: Probably within the next two or three weeks.

One other thing: There will be a bipartisan leadership meeting here tomorrow morning at 8:30. I can't give you details on it.

Q Is that concerning the President's trip?

SENATOR DIRKSEN: Yes, it will have much to do with the trip.

Q Senator, do they plan to reclassify the national debt not to include securities?

SENATOR DIRKSEN: We didn't discuss it. But Arthur Burns has been working on it and is cooperating with the Treasury. I think they have been doing a good job in making some real progress in that field.

THE PRESS: Thank you.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE

OF

SENATOR EVERETT MCKINLEY DIRKSEN, CONGRESSMAN GERALD R. FORD, AND RON ZIEGLER, PRESS SECRETARY TO THE PRESIDENT

AT 10:08 A.M. EST

SENATOR DIRKSEN: We will talk about three things that have been submitted by the President to the Congress.

I shall allude to the Treaty and Representative Ford will talk about the debt and the International Development Association.

There is not too much to be said about the Treaty that you don't already know. It is in the course of discussion now. Just when that will be completed on the Senate Floor remains to be seen. It could conceivably go over into next week, partly because there will be some absentees on some official missions at the end of this week.

I have had a bit of a nose count made so far as our side goes, and I would guess that we will have at least a 2-1/2 to 3-to-1 vote in favor of the Treaty. So, unless all signs fail, I anticipate no difficulty in getting the necessary two-thirds for its ratification.

So that is about the whole Treaty story for the moment.

Q Are you speaking just of the Republicans?

SENATOR DIRKSEN: That is correct, because I don't undertake to count noses on the other side. That is not quite my function and it might very well be resented. But I think the Treaty is in a comfortable position now and it ought to be, because I think it is an acceptable Treaty.

There is one reservation pending, one understanding both by Senator Ervin -- and I believe Senator Tower proposes to over a reservation; perhaps, he may finally decide not to do so.

But that is the whole Treaty story for the moment.

I will let Jerry tell you about what is taking place over on the House side so far as the debt ceiling is concerned and the International Development Association.

CONGRESSMAN FORD: Thank you very much, Ev.

According to the Whip Notice, we have an International Development Association program for tomorrow and the debt limitation legislation for Thursday.

I understand there may be some delay until next week on the Debt Limitation Bill. But, taking that up first-because it was programmed in the discussion initially-under the budget submitted in January by the outgoing Administration it was perfectly obvious as a mathematical fact that there had to be an increase in the debt limitation.

The House Committee on Ways and Means has recommended a debt ceiling on a temporary basis up to \$377 billion--\$5 billion less than that recommended by the Administration--with a fallback to a permanent debt limitation of \$365 billion a year from this June 30.

It is our feeling that the Republicans in the House will, in better than a majority, vote for the increase in debt ceiling as recommended by the Committee on Ways and Means. It is just a mathematical need and necessity.

We are still operating, as all of you know, with the fiscal situation in the past and the budget as recommended by the outgoing Administration.

The International Development Association calls for a \$480 million subscription by the United States over the next three years. This legislation was initiated by the Eisenhower Administration in 1960. It was reaffirmed again in 1964. It is a bilateral approach to the Foreign Aid Program.

Under the bill, as we have before the House tomorrow, it will call for a reduction in the United States' contribution from 42 percent to 40 percent, which is an improvement even though the United States still makes a substantial contribution.

Here again, I think we will get good Republican support for the legislation and I think it will be approved.

Q Congressman, when will the President have to ask for another debt increase?

CONGRESSMAN FORD: The reduction from the President's request from \$382 billion to \$377 billion, I think, makes it very, very tight as far as the handling of our Federal fiscal affairs is concerned for the next'18 months.

If we are able to make some reductions in expenditures and if the estimates submitted in the budget in January for revenues are valid, the Administration can get by, although it is going to be very tight.

But under even the most optimistic circumstances, using the figures coming out of the Committee on Ways and Means, I think we will have to have another increase, probably a year hence.

Q Congressman Ford, what were the leaders told this morning about the ABM?

CONGRESSMAN FORD: We were told, Mr. Oberdorfer, that we will have a message from the President sometime this week, but we were given none of the details as to what to anticipate.

Q Is that a message to Congress?

CONGRESSMAN FORD: I understand it will be a statement, not a message to the Congress.

Q Will it be a statement made to the Congress or will it be made to the general public?

CONGRESSMAN FORD: I would rather have Mr. Ziegler answer that.

 $$\operatorname{\mathtt{MR}}$. ZIEGLER: As we firm that up we will be giving you that information.$

Q I wonder if the two leaders would care to give us their opinion on the ABM and how they feel about it?

CONGRESSMAN FORD: Speaking for myself, in the past I have supported the decisions of the previous Administration. I am reserving judgment to see what the new President recommends in this regard. I can trace the history, having been on the Defense Subcommittee on Appropriations for 12 years, going back as far as 1953 when we started the first studies in an anti-ballistic missile system. I would prefer to make no further statement until we have heard what the President, himself, is recommending.

Ω Senator Dirksen?

SENATOR DIRKSEN: Well, I think there ought to be a little clarification. There was a tendency to believe that the money that was provided heretofore was "no-year" money. I think that is a mistake. They are going to ask for authorizations for military construction and procurement and then ask for appropriations. There is roughly \$1-1/2 billion in the instant budget, assuming, of course, they are going to go along with the program as originally laid out. But that is a matter for the President to first determine, I believe.

There may be variations of what has been submitted heretofore. Consequently, I don't think anything authoritatively can be pronounced on the subject at the moment.

 Ω Did the President indicate when the statement might be coming?

SENATOR DIRKSEN: No, he didn't. He just said "this week." And I think you ought to make allowances there, too. Let's assume, for example, that he is going to meet with the National Security Council or take counsel from other sources. Obviously, that takes a little time. It is a highly important matter.

So, when you say "this week," it could go over into next week. So, I think, due allowance has to be made.

Q Senator, I don't fully understand your clarification on the budget considerations on the ABM. Are you saying if the President decides to go ahead with the manufacture and deployment, it will take a considerable increase ---

SENATOR DIRKSEN: I didn't say that, no.

O --- in the appropriation or would the billion and a half that is now in the instant budget be sufficient to cover that?

SENATOR DIRKSEN; That I can't answer. I am trying to make clear that you can get information from various sources. There was some belief that it was "no-year" money and they needed no new authorizations. Well, you do need authorizations for both construction and procurement. Then, of course, you have to set yourself to the amounts that are in the budget at the present time.

Q Have either of you taken soundings in the Senate or the House as to what the sentiment is on these various aspects?

SENATOR DIRKSEN: You can take informal soundings, but obviously you can get no conclusive answer.

CONGRESSMAN FORD: My judgment in the House is that if the President recommends the procurement and the deployment of a system -- without pre-judging what the system will be -- that the House will support the decision.

Q Did the President indicate whether he has made up his mind yet about the ABM?

SENATOR DIRKSEN: He did not.

O Mr. Ford, I am sorry, if the President comes in and doesn't specify which kind of system he wants, the chances of getting it through the House would be increased?

CONGRESSMAN FORD: The chances would be improved if we had a categorical determination as to the kind of a system. I think it would be unwise to go any further in commenting than that.

Q I didn't quite understand what Senator Dirksen's view was, himself, towards the ABM.

SENATOR DIRKSEN: I uttered no view. I am like a man on a jury, I wait for all the evidence to be in, because it is a highly sensitive and extremely important matter. So wait until all the evidence is in and then I will tell you.

O I wondered, in the light of what Senator Dirksen has said, if we could move up the ll o'clock briefing and ask one question of Mr. Ziegler.

MR. ZIEGLER: I will be happy to answer your questions as soon as Congressman Ford and Senator Dirksen conclude. The schedule is very tight.

Q Did you talk about Vietnam?

SENATOR DIRKSEN: There was no discussion about Vietnam.

CONGRESSMAN FORD: I would assume that when Secretary Laird comes back there will be some briefing by him as far as leadership is concerned.

MORE

Q Two or three weeks ago you said you would be getting a tax reform message in two or three weeks. Did you find out where you stand on that?

SENATOR DIRKSEN: Well, you know a week is a relative thing. I will remind you of the Scriptures. It says; One day is 1,000 years and 1,000 years is one day.

CONGRESSMAN FORD: I think it is fair to say that we were told that within the next month there would be a number of messages for the legislative program.

Q. On what?

CONGRESSMAN FORD: There was no discussion of the details.

- Q Did you talk about extending the surtax?

 SENATOR DIRKSEN: We only alluded to it virtually.
 - O How was that alluded to?

SENATOR DIRKSEN: When you discuss the debt limit, obviously you mention or don't mention that the surtax is included in the receipts that you expect. Beyond that we did not go.

THE PRESS: Thank you.

- Q Can we have Mr. Ziegler for one minute?
- Q Ron, Senator Dirksen seemed to be indicating that we would not get a statement on the ABM today ---

SENATOR DIRKSEN: Are you going to talk about me behind my back? (Laughter)

Q Ron, do you accept Senator Dirksen's definition of time?

 $$\operatorname{\mathtt{MR}}$.$ ZIEGLER: I read the Scripture and I am devoted to it.

On the whole matter on the ABM statement -- the President has indicated that he will make a statement on his decision on the ABM sometime this week. That is where it stands and as we firm it up and as the President makes final determinations on this, then, we will provide that information to you.

Ron, originally he said "early" this week. I am not trying to accuse him of missing his deadline, but from our planning point of view, is it still likely to be early this week, i.e., before Wednesday?

MR. ZIEGLER: For your planning, the President will make a statement on the ABM sometime this week.

Q What is the chance of slippage into next week?

MR. ZIEGLER: The President has just said a short time ago that he will make a statement on the ABM sometime this week.

O But the Senator said it might pass over.

MR. ZIEGLER: The Senator went on to reflect his personal point of view.

O He said it might go into next week.

MR. ZIEGLER: But I am making it very clear, I think, that the President will have a statement on the ABM sometime this week.

Q Can we rule out today?

MR. ZIEGLER: Yes, you can.

Q Have you decided on a format?

MR. ZIEGLER: No, As soon as we firm up these matters we will be providing that to you. As soon as a decision is made you will be informed immediately.

Q Will you have another NSC meeting on the subject?

MR. ZIEGLER: There is an NSC meeting scheduled for this week where I am sure it will be discussed.

Q When is that?

 $$\operatorname{MR}.\ ZIEGLER:\ I$$ believe it is Wednesday. I will firm that up at the regular 11 o'clock briefing.

Q Are you waiting for Laird to return?

MR. ZIEGLER: As you know, Secretary Laird does return, I believe, Wednesday evening.

Q Has the President made up his own mind?

 $$\operatorname{MR}.$$ ZIEGLER: I would not expand on this subject any further than I have.

Ron, the leaders spoke not only of the NEC meeting, but Senator Dirksen suggested he might want to confer with other groups before making his announcement.

MR. ZIEGLER: I think the President made this clear, Smitty, the other day in his Press Conference, that he wanted to discuss it with members of the NSC and also he would be conferring with other parties on the subject.

Q Like who?

MR. ZIEGLER: I would not want to go into precisely who the President confers with on these matters.

Q Did the President study the report that was given to Dr. DuBridge that was supposed to be completed, the scientific report?

MR. ZIEGLER: I am not sure if this was in the matter that he has reviewd or not, Herb.

Q But in any case, the President's public announcements would not come prior to the NSC meeting; is that a correct assumption?

MR. ZIEGLER: I would not necessarily indicate that that would be a fully correct assumption. I understand your questioning on this. The only thing I can give you is what I said earlier, and that is that the President will make a statement on the ABM sometime this week. Because the decision as to the precise date that he will make this statement has not been made, I cannot give you any further guidance on this. If I would, I would be speculating along with you.

You may have an announcement this afternoon?

MR. ZIEGLER: When the decision is made, we will provide you with the information, yes.

 Ω What will be the format on that statement, Ron? Do you expect him to go before live TV?

MR. ZIEGLER: I just don't know. The decision on this matter, as I said, has not been finalized by the President.

At 10:45, the President will greet the Easter Seal Girl.

At 11 o'clock, we will have the regular 11 o'clock briefing.

END AT 10:35 A.M. EST

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE

SENATOR EVERETT MCKINLEY DIRKSEN.
AND CONGRESSMAN GERALD R. FORD

AT 10:34 A.M. EST

SENATOR DIRKSEN: Good morning, ladies and gentlemen. The first object of discussion this morning was the one bank holding. That has been bouncing around for quite some time. It is evident now, of course, that there will be legislation in this field. There is a big interest in it, both in the House and in the Senate.

To some extent it has been popularized by Congressman Patman of Texas. He has introduced a bill. I believe Senator Proxmire of Wisconsin has introduced a bill.

The Administration, of course, is very much interested. There will be a bill and the Administration will support a bill. I fancy that Senator Bennett and Sparkman will probably introduce a version that can conceivably get the support of the Administration.

It is an important thing from one economic standpoint, certainly, and that is the concentration of power in the whole economic and industrial and financial field today. It has brought a sense of apprehension and alarm in a great many quarters.

I have looked at it over a period of time, giving a little attention to it, so we can see now that there has been a rapid progressive increase in a number of bank holdings, and obviously, it is going to cry for attention one day soon.

So that is one field of endeavor in which we are sure there will be legislation in the not too distant future, and if it is the right kind of legislation, certainly it will have Administration support.

CONGRESSMAN FORD: Just to follow up on what Senator Dirksen said, there is the Patman Bill and there will be the Administration Bill in the House. In some respects, the Administration Bill is stronger than the Patman Fill and there are some technical differences between the two otherwise.

I am confident the House will pass a bill, and we will wholeheartedly endorse the Administration proposal, because we think it is strong in important areas.

- 2 -

There was another matter discussed. The President is meeting with the Attorney General and with the Secretary of HEW this afternoon on the student riot problem, and its various ramifications.

The previous Administration did not implement the legislation that the Congress provided during the last session to withhold funds from those students who are involved in campus riots. Neither did the last Administration use as effectively as we think they should, the anti-riot legislation.

But there will be this conference today and the President will have a statement later this week in reference to the overall problem. It is our general impression that these militants, small in number, are really using Facist tactics in depriving the rest of the students the opportunity to get an education.

I think the whole approach of the Administration will be aimed at this Facist group that want to deprive students of an opportunity to get an education.

SENATOR DIRKSEN: There was rather broad Leadership participation in this subject, and the discussion went around the table. The President is deeply interested and obviously so. I think there was a general feeling that the type of demonstration that is carried on to the extreme is absolutely anti-social in nature. If it is criminal, of course there are criminal statutes to deal with it. Whether it is in the category of a misdemeanor or a felony, in any event it is crime.

But in so many cases, it is anti-social conduct, and there has to be a deterrent for it. Now what is the deterrent? Perhaps the withholding of these loans or denying forebearance on these loans, or any other economic weapon that maybe available in order to deter this action in the extreme.

So the President has been discussing it with a number of people, and he will be prepared to say something on this subject a little later.

CONGRESSMAN FORD: We also discussed the ABM proposal by the President, and there was overwhelming support on behalf of the Leadership for the President's program. I can say from my travels in Michigan over the weekend that the public reaction generally, as far as I could detect, was favorable to the President's recommendation.

SENATOR DIRKSEN: I think we ought to recognize the fact that this morning there seemed to be virtual unanimity on the ABM. There may be an exception or two, but virtually there was a unanimous attitude in support of the President's position.

I know there has been a tendency to raise the question as to whether there will be a battle in the Senate. Obviously it will be widely discussed, but when you think in terms of a battle, I am not so sure it will be a battle, because the argument is going to be pretty substantial in behalf of this proposal.

CONGRESSMAN FORD: In light of the fact that tomorrow the House will consider the debt limitation legislation, we discussed in considerable depth the viewpoint of the Administration in reference to the fiscal situation. The Director of the Bureau of the Budget was present. He pointed out that they are working on specific reduction in various departments.

There is the distinct possibility that we will have an overall ceiling on expenditures which will be very, very helpful and beneficial in convincing the American people that the Administration really means what it says when they talk about trying to extricate us from the serious financial problem we are in and the inflationary impact of runaway Federal budget problems.

SENATOR DIRKSEN: One can hardly talk about the public debt without thinking of the corollary things that go with it. For instance, that means expenditure; it means the overall budget; it means whether there will be a surplus or a deficit.

So this whole matter was rather widely discussed this morning. Obviously there is going to be a search for economies wherever they can be made. It will reasonably selective, and on the other hand, you hope it will be substantial.

The President is receiving the full cooperation of every department head and every agency head in this field. You have to have cooperation in order to get it done.

In addition thereto, there has to be a cooperative spirit on the part of Congress, because we undertook this in the predecessor Administration when we passed that Financial Reform Act, including a \$6 billion expenditure cut, plus the surtax.

Now both of these will be coming up again, so what can you exorcise out of the budget? There you have the Budget Director at your elbow, and I pretend no figure this morning to indicate whether it will be "X" bill or "Y" bill or "Z" bill, because it is just a little too early, and besides the Appropriations Committee of the House, where these bill start, is only now beginning to get its teeth into it.

But the whole economy issue will certainly not be lost, and we will have virgorous attention not only on Capitol Hill, but in the Executive branch and with the departments.

O Congressman Ford, can I ask you about your statement on the past Administration's failure to use the laws? Can we infer properly from this, that the current Administration is not considering further laws to curb student excesses on the campus?

CONGRESSMAN FORD: I would not preclude additional legislation, but we now have statutes which can be used; one referring to the Department of HEW and the other referring to the Attorney General. For that reason the President is meeting with both, and I think you will find in the President's message this week some real action in both areas.

CONGRESSMAN FORD: I think it will be made available for the Committee sometime this week.

O Mr. Ford, the previous Administration took the position, I believe, that the legislation written providing that you could deny funds to a student convicted of some misdemeanor, would not hold up. Are you satisfied that it would not work?

CONGRESSMAN FORD: I think the legislation passed by Congress will work, but you have to have a will in the Executive Branch to make it work. I think this Administration has the will and if there is any need for modification or change in the law, the Administration will ask for that authority.

SENATOR DIRKSEN: I have no reaction that the previous Administration ever said it would not work. First of all, you are on good legal ground. This is a benefit issued out of the Federal Treasury, and then the Congress and Executive comes into play, so there is no question about the right to do it if we want to.

I think they were timid in the previous Administration in not quite putting their hearts into it, but it has to be done, and this Administration is going to deal with it.

O I thought Secretary Cohen had taken the position that it would not do the job.

SENATOR DIRKSEN: Secretary Cohen is just one. I don't know how much of an exploration he made about it, but we undertook to point out that we were for it, and did make that case up on the floor and in the Finance Committee.

O At the economic discussion this morning, was it the consensus of the Leadership that the surtax must be extended?

CONGRESSMAN FORD: There was no specific discussion on this point. The emphasis was that the Administration was going to work with the economy block in the Congress to try to reduce extenditures; one, so that we could justify the debt limination, and two, increase the Administration's efforts against the inflationary impact we are faced with right now.

SENATOR DIRKSEN: I will give you a personal reason for it, without attributing it to anybody else. If the surtax yields between \$10 billion and \$11 billion, and you let it die, then there is a \$10 billion or \$11 billion hole in the receipt of the Administration, so how are you going to fill up that hole unless you find \$10 billion that you can delete from the budget to even break even, let alone be thinking in terms of a surplus.

So it speaks for itself, and if I were speaking for myself, you could not throw it overboard unless you find that money elsewhere.

Do you think there is a chance of doing that?

SENATOR DIRKSEN: Of throwing it overboard?

Yes.

SENATOR DIRKSEN: Let me answer as a member of the Senate Finance Committee. If you leave it to me, we will keep the surtax.

O There have been suggestions that that \$10 billion or \$11 billion could be obtained through raising tax reforms.

SENATOR DIRKSEN: There has been sort of amorphous terms assigned here as tax reforms covering a great many things. But as you know, tax reforms are very, very slow, and sometimes when they talk about tax reform, they put it in the frame of two or three years. You are dealing here with an instant budget for a fiscal year that will begin on the first of July, and perhaps you cannot await the reform process. You have to have something in the duke. It has to be good, hard information about that budget, and of course, that will be available.

Congressman Ford, you mentioned a distinct possibility, in your words, of another expenditure ceiling in the coming year. Do you have in mind that the Administration might propose an expenditure ceiling or that the Congress might impose one on its own?

CONGRESSMAN FORD: It was discussed from both angles and it was not decided whether the Administration would recommend one or whether we, representing the Administration in the House, would seek to impose one, but it was pointed out that there are some benefits from an overall ceiling rather than having individual expenditure ceilings on each and every Appropriation Bill as they go through the House.

I think there is a very good argument that can be made for a ceiling. I happen to personally prefer the overall rather than the individual on each Appropriation Bill, but no decision was made as to which avenue or which approach would be made.

O How many billions do you have in mind? Do you have any approximation?

CONGRESSMAN FORD: No specific figure was discussed. I think there was a high degree of unanimity that it ought to be a figure of somewhat less than that recommended in the January budget, but I would not tie anybody to a specific figure at this time.

O Would the one bank holding company bill go up as a Presidential message?

SENATOR DIRKSEN: Let us say that it would go up as an Administration proposal, or Administration support, but it could be either way, and I don't know if that is too material, because of the importance of the subject.

THE PRESS: Thank you.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE OF

SENATOR EVERETT MCKINLEY DIRKSEN, AND CONGRESSMAN GERALD R. FORD THE ROOSEVELT ROOM

AT 10:30 A.M. EST

SENATOR DIRKSEN: We had a two hour fiscal and monetary session. Everybody sat quietly for two hours. That is in violation of what I saw in "Nation's Business," by the doctor who said, "Don't sit longer than 30 minutes without getting up and walking around your desk." But everybody stayed right in place for two hours.

The emphasis this morning was, of course, upon inflation and how you effectively restrain it. I think there is general agreement that that is a foremost problem and that it can be restrained only by finding cuts in spending and protecting your revenue. In other words, dealing with existing taxes, including the surtax.

Now then, in order to do the job effectively, you have to start with a budget, of course. I go on the theory that you have got to have a refined sense of the budget. It has to be a true budget. And therein lies the problem. Taking the last Johnson budget, it is a true budget in one sense, but in another sense it isn't.

When I say this, I impute nothing to the Johnson Administration or to the predecessor President with respect to that budget. I simply say that in the making of the budget, you may have your choice of one, two or three figures: as for example, the interest on the public debt.

At the time of making the budget, they will come up with a figure, and they may stay with that figure and then you discover, because of a rising interest rate, that you are a couple of hundred million dollars out of line. Well, you have to compensate for it, because events simply overtake theory, and overtake calculations, and you are going to be \$200 million in the hole.

That would be true, I suppose, about receipts, like oil leases, where they have not actually been issued. It would be true in the case of the commodity credit corporation, and price supports. If you underestimate and you find that you have got to add to it, there it is. That is why I say you have to find a true budget from which to work. That is what we are in process of doing.

Then, of course, you determine where you can cut and what you are going to save. I give you no figures this morning. I simply say to you that there will be a substantially larger saving, larger surplus, after we get through than the one that was estimated by the prior Administration.

So, generally, that is the whole story.

Q You are talking about fiscal 1970 when you make that statement?

SENATOR DIRKSEN: 1969 and 1970.

CONGRESSMAN FORD: I would simply add that it was the feeling on the part of the President and his advisers that we had reached the high-water mark of inflation in this country last year. As you know, it was about 5 percent.

The whole effort from the fiscal point of view is to try and moderate and reduce the inflationary impact. In the process of going through the budget and taking a realistic look at the anticipated revenues, and taking a more realistic look at the expenditures through the various agencies and through the Bureau of the Budget, there will be significant savings in fiscal 1970. There will be some savings in fiscal 1969.

These will be reflected in the various actions taken by the agencies and will be reflected in the message that will come to the Congress tomorrow in reference to the fiscal picture.

The whole attempt is to do what the Administration can in the area of fiscal control through the budgetary process.

Q What is the message tomorrow, Mr. Ford?

CONGRESSMAN FORD: The message tomorrow will be the request for an extension of the 10 percent surtax, but at the same time pointing out that there are adjustments, and significant adjustments downward in fiscal 1970, related to the anticipated and hoped for extension of the surtax.

The net result is that we hope to have a budget surplus and realistically as much as that anticipated in the January budget sent up by former President Johnson.

Q In what areas do you expect these significant savings?

CONGRESSMAN FORD: The specifics were not laid out. They were lumped in as to reductions that had been achieved or hoped to be achieved by the various agencies and the add-on reductions that would be imposed by the Bureau of the Budget.

Q Mr. Ford, how long will the request for the extension of the surtax be -- for a year or more?

CONGRESSMAN FORD: The request will be for fiscal 1970.

Q For the full amount, sir?

CONGRESSMAN FORD: Yes.

Q Senator, you said that there will be substantially larger surplus by the time we get through. Who do you mean by "we"?

SENATOR DIRKSEN: I mean those who are charged with the responsibility of the budget and the fiscal affairs of this Administration.

Q You didn't mean the Congress as opposed to the Administration?

SENATOR DIRKSEN: The Congress is a part of this operation; for after all, they will have to be passing on authorizations, and on appropriations. Insofar as they relate to this whole picture, they have a responsible role just as well.

Q Congressman Ford, you pointed out last year there was a 5 percent inflation rate, and that this year the high-water mark had been reached. Do you have an estimate for how much inflation there may be this year?

CONGRESSMAN FORD: That was not discussed at the meeting this morning, but I have seen other comments and I have talked to some of the people in the Administration, and it is hoped it would be 3 percent or less in 1970.

Q Along that line, are there any signs at present which point to a reduced rate of inflation -- specific signs?

CONGRESSMAN FORD: I think the general attitude, and I can't give you any specifics, but 4.8 to 5 percent was the figure in calendar 1968. But the economists as a whole, indicated from a variety of the economic indicators, there will be this drop off from the figure of 1968 to a lower figure.

Q Would the Congress --

SENATOR DIRKSEN: Let me respond a little further. I don't believe those figures are very significant, because what you have to do is to siphon off some spending, and at the same time use whatever tax devices are at hand for the purpose of adding to it, so that you take that out of the economic blood stream. Where will it finally land? You can't tell. You can only tell after it happens.

 Ω Would the Congress sit still for a major cut in public works spending?

CONGRESSMAN FORD: I don't believe that the Congress will reduce the budget requests of the previous Administration or the programs of this one significantly. There will be some selective changes. Those programs or those projects which have an emergency nature, those projects which are in the mill, half way through, obviously ought to be continued. But there will be a selective pruning both by the Congress and, I think, by the Administration.

Will the message tomorrow reflect this?

SENATOR DIRKSEN: Let me illustrate just a little, whoever asked that question.

I saw the Weather Bureau forecast the other day for what they anticipate by way of floods in the Northwest, and in the Middlewest. Evidently it is going to be a rough season. There you are going to have an emergency, and you will have to do something about it. That you can call selective.

On the other hand, you may have something in the mill that is not nearly so urgent, and there again you can be selective in holding down one and raising the other. But in every case, you try to keep the whole public works picture in balance.

Q Was there any indication about any steps the Administration might take to discourage business expansion, as an example, the 7 percent interest rate?

SENATOR DIRKSEN: It was discussed in the Senate Finance Committee yesterday morning.

Q In light of that, and in light of the housing and the interest rate, and the whole current inflation picture, do you accept the validity of these predictions that we have peaked on inflation, and it will drop to 3 percent?

SENATOR DIRKSEN: I don't know. I don't attach too much significance to a figure, as such. You do what you can and you just want to be sure that you are going in the right direction to diminish and restrain inflation, then let the chips fall where they will. Then, if that isn't enough, you have to resort to something else.

Q Senator, may I clear up something that just appears as a technicality? This message will be from the President to the Congress and not from the Secretary?

SENATOR DIRKSEN: It will be from the President.

Q Gentlemen, we were told last week, I think, by some of the people who were at the meeting, that the Administration's figures on the budget, as you suggest, show some areas where there were underestimates of what it is going to cost, and overestimates, perhaps of income, such as user charges and other things that will hike the thing up may be \$1 billion, from which you have to find corresponding money.

Now, the Johnson budget called for a very substantial surplus, reasonably substantial, in fiscal 1969.

SENATOR DIRKSEN: 2.4

Q In view of these underestimates and so on, how are we to get to a situation where we actually have a larger surplus, as you suggest, in fiscal 1969, with three quarters of the year already over?

SENATOR DIRKSEN: I didn't mean to imply for a moment that what we will save will be as big as we expect to save in 1970. We will certainly save what we can over and above that figure, if that is possible.

Q Do you think it will be possible?

SENATOR DIRKSEN: I think so. They have been going all through the budget, and it is only after they come up with hard figures for every expenditure item that you will know.

Q If the Administration feels, and you say they do feel that the high-water mark in inflation has been reached, they must have given you some supporting data or evidence of this. Can you give us some idea of that?

SENATOR DIRKSEN: I don't know that we subscribe particularly to where you did reach the high-water mark in inflation. It depends on when these remedial forces come into play, that you can say, "All right, you can now see statistically that it is tapering off.

Q Did you discuss the situation in the light of the war, the possibility of the war ending or continuing?

SENATOR DIRKSEN: Only in a very modest residual way. It was alluded to, expressing a hope that if we can get out from under that expenditure, then, of course, it becomes a new ball game, as the Budget Director said.

CONGRESSMAN FORD: I think the feeling was in the light of the current siutation in Vietnam, and the economic problems we have of trying to fight inflation, that this message was needed and necessary. But if there were any changes in either the economic situation or in the war in Vietnam, it would certainly give a great deal of additional running room as far as the tax picture and the expenditure picture was concerned on some of our other problems.

SENATOR DIRKSEN: Let me make one observation there. The previous Budget Director under the previous Administration went up here to some college to make a commencement speech, and strangely enough it was a speculative speech on what was going to happen if and when we concluded this disagreeable business in Vietnam.

He started out with this premise: He said there are those who feel that once we bring an end to it, there will be \$20 billion to spend on all manner of domestic social programs. He said, "I am sorry that I have to disabuse the public mind of that impression."

Then he went on to tell what a hole was plowed into our inventory of weapons of all kinds, knocking helicopters out of the sky, planes, ammunition, and everything. Contrary to what our experience was in Korea, it will be quite the reverse now, and there will be gaps in our whole security pattern.

Those will have to be filled up. Well, how much will be left out of the \$20 billion, if you take that as an estimate? Well, he dropped it way down.

Q Mr. Ford, did you mean to suggest that the message tomorrow will be qualified on the basis of possible changes? In other words, ask for an extension provided that certain things don't change in the next year?

CONGRESSMAN FORD: Yes. In other words, it is predicated on the present circumstances, looking down the road as far as the economy is concerned, and as far as the war in Vietnam is concerned. Really, it reaffirms that part of the budget message that came up from President Johnson, where he said it was needed and necessary to have an extension of the surtax because as far as he could foresee at that time, these circumstances would prevail in fiscal 1970.

Q And the full 10 percent is needed for the full fiscal year?

CONGRESSMAN FORD: Based on these assumptions, of which any one of the several could change.

THE PRESS: Thank you.

(10:45 A.M. EST.)

END

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

PRESS CONFERENCE
OF

CONGRESSMAN GERALD R. FORD, AND RON ZIEGLER, PRESS SECRETARY TO THE PRESIDENT

THE ROOSEVELT ROOM

AT 10:25 A.M. EST 457

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MR. ZIEGLER: Congressman Ford will give a brief rundown on the Leadership Meeting of this morning.

Senator Dirksen had to return to the Senate for important Senate business. Congressman Ford will give a briefing on the Leadership Meeting.

Following that, Robert Mayo, Director of the Bureau of the Budget, will be here to background you on the agencyby-agency breakdown of the budget.

Congressman Ford.

MR. FORD: Thank you very much, Ron.

I am not sure, with more people and half our ranks here for this press conference, how it will go. But I will try to handle both what Senator Dirksen might have said and myself.

The Leadership Meeting involved a discussion of the contemplated messages, of which there will be a number within a week.

The ones that will probably come first will be from the Treasury on tax reform, from the Department of Justice on organized crime, obscenity, narcotics and dangerous drugs, crime and the rights of the accused.

There will also be one shortly on postal rates and probably the reorganization of the Post Office Department. There will be others following, one rather soon involving the District of Columbia.

As Mr. Ziegler has said, there will be a briefing by the Director of the Eureau of the Budget with all of you on the President's substantial revisions in the budget which was submitted in January. The new Nixon budget will show savings in expenditures in fiscal year 1970 of approximately \$4 billion -- \$1.1 billion in Defense, and \$2.9 billion in the area of domestic programs.

I hasten to point out, however, that in a number of areas there will be some increases over what was expended in 1969, which is, I think, a very valid basis of comparison. Even though there are these reductions made below that proposed by Mr. Johnson, the Department of HEW, for example, will have an increase of \$.3 billion over the fiscal year 1969. HUD will have an increase of over \$800 million. The manpower programs will have increases of about \$300 million, even though the \$100 million cut comes in the Job Corps.

The increases in non-Defense spending, comparing 1970 with 1969, shows an increase of about \$6.5 billion.

On the plus side, I think this is very, very important, the Johnson budget of January anticipated an increase of 43,000 US civilian employees in the next fiscal year. The new Administration, actually, is recommending a decrease of approximately 5,000 Government employees.

To translate that into dollars -- this is what the American taxpayer is interested in -- this means a saving to the taxpayer of roughly a half-billion dollars in fiscal year 1970. This can be done with good management.

If we look at the savings in dollars and the reduction of Government employees, I think we are going to find the largest surplus in 18 years in the Federal Government and the fourth largest in the history of the United States.

We also had a briefing on what information was available on the incident off North Korea. But I understand the Defense Department has had two releases or two press conferences and the plan is that the Defense Department should keep the press apprised on developments in that area.

I will be glad to answer any questions.

O Mr. Ford, how comprehensive a tax reform message do you expect?

MR. FORD: The details of that will have to be included in the message. That, as I understand it, will be significant.

Q Would you still anticipate that Congress will impose a spending ceiling this year as it did last year?

MR. FORD: I think it is difficult to be specific in that regard. The new Administration is not recommending it at the time it is submitting its revised budget. Mr. Johnson didn't recommend it when he submitted his budget for '69 and he actively opposed it during the consideration of the '69 budget. He accepted it most reluctantly.

The Congress, in working its will on the budget for '70, will have to take a look to see whether it does seem needed and necessary.

However, I should point this out: The new Administration, in taking a strong position in trying to reduce anticipated expenditures, in effect, has gone along with the views of the Congress in the last Session that there had to be some control over Federal expenditures.

Q Mr. Ford, since you said that fiscal '69 is a very valid basis for comparison, don't you think that Congress is going to object or critize rather strongly as far as the very deep concern in natural resource development, agriculture and space. These are three areas, apparently, that has been used to get some of the money to transfer over into HUD and so on. Do you support these cuts in those areas?

MR. FORD: I support, overall, the new Nixon budget. I think it is appropriate to point out, however, that the Congress in the hearings on appropriations will have an opportunity to work its will. What is recommended by the Committee on Appropriations inthe House and in the Senate and what the House and Senate do will be the final test of what the President has to work with when the fiscal '70 budget gets to his desk for actual expenditures.

But, overall, I think it is an excellent attempt to really do, from the Executive Branch point of view, an effective war against inflation.

Q Would you favor Congressional spending ceilings?

MR. FORD: I have in the past. I think I will reserve judgment on that until we see what the Committee on Appropriations does.

O Do you have any reaction on the downing of the plane?

MR. FORD: I think my reaction should await further information from the Defense Department.

Q Mr. Ford, on the messages that you outlined, is there to be a separate message on the rights of the accused and do these first three groups that you mentioned, taxes, the various messages on the Justice Department, and the postal rates, are those intended for this week, as you understand it?

MR. FORD: I would say that these would be within a week.

Q Within a week from now?

MR. FORD: In what order, it is difficult to determine at this point.

O Is it a separate accused message? Do I get that inference from what you said?

MR. FORD: I believe that instead of a crime or anti-crime package all lumped together, it is anticipated there will be specific messages in definitive areas.

Q Like crime, obscenity, narcotics, all separate messages?

MR. FORD: It is probably going to be that.

O A factual question: Did I understand you -and I may have misunderstood you -- do I understand you to
say that the revised budget that will be proposed by the
new Administration is an increase of \$6 billion over the '69
budget?

MORE (OVER)

- MR. FORD: It is an increase of 6.5 over the spending figures in non-military items.
- Ω Congressman, didn't the Republicans support the manpower ceiling bill which became law and is now law?
- MR. FORD: Those of us who voted for the tax increase and the expenditure limitations also suported the provision in that legislation which provided that a department, with one or two exceptions, could only fill three out of four vacancies.

This was an arbitrary prescription which had to be imposed because of the tremendous increases which materialized in the last three or four years in the Government-civilian manpower.

As long as the new Administration is reducing 43,000 below what the Johnson Administration recommended in their fiscal '70 budget, and actually providing for a 5,000 decrease, I don't think you need the arbitrary type of provision that we had in the law that was passed.

- Ω You would go along with repeal of that provision?
- MR. FORD: As long as we have the assurance that there will be this substantial reduction in Government employment, I believe it is far better, from the management point of view, to do away with the arbitrary provision.
- Q Mr. Ford, would you want that written into the law that passes this year?
- MR. FORD: That we should have this reduction? I would be delighted to.
- C Speaking of repeal of sections and that kind of thing, what do you think Congress' reaction will be to the Administration's proposal to postpone the freeze on AFDC payments?
- MR. FORD: I think the Congress will probably go along this year, as they did last year, for the postponement of that freeze. It is my personal opinion.
- O Is there remaining a favorable considerable sentiment for freezing?
- MP. FORD: I think there is considerable sentiment for the resolution of the problem that prompted the freeze. But I think that we found that that freeze may have created more difficulties than solutions. That is why we postponed the freeze a year ago. That is why I think the Congress will probably do the same in 1969.
- O How do you think Congress will react to the scaling down of the Social Security benefit increase?

MR. FORD: I think it is difficult to determine at this point. If we are successful in controling the inflationary psychology and factual situation, I think that Congress will be more receptive to the lesser figure. It depends upon how successful we are in really attacking and solving the problem of inflation.

Q Mr. Ford, in view of the \$12,500 raise Congress voted for itself, is this going to put you in kind of a bad spot to try to sell the seven percent increase instead of ten percent for the Social Security?

MR. FORD: I think there will be some difficulty in that regard. But when you add up the increases in pay for Government employees and the pay of individuals in private enterprise over the last three or four years, the argument can be made as long as you whip the problem of inflation. It is a major domestic problem right at the moment.

O Mr. Ford, what do you think the chances are of getting a significant tax reform package through this year?

MR. FORD: I think the chances are the best in, I would say, my 20-plus years in the Congress. The Administration is actually submitting a recommendation for tax reform. It is my recollection that there is no other administration that has actually come up with a tax reform package. The Administration backing a tax reform package, and the public demanding one, and the Congress receptive, I think we have a good chance of getting one.

Q What do you think the public sentiment is directed in that area?

MR. FORD: It covers the waterfront.

 Ω Will the House pass a reduction in the oil depletion allowance?

MR. FORD: I can't forecast one way or another on that. There is considerable testimony for it. The Congress has had this problem before it in the past. Previous Administrations have never recommended it.

So I think a lot depends on what the testimony produces.

 Ω Mr. Ford, aside from whether or not Congress will go along with the lower increase in Social Security, how about you, yourself? Is that what you want?

MR. FORD: I am going to reserve judgment until we see what the Committee on Ways and Means recommends.

Q What about the reaction to this Federal program for subsidies for public jobs that is going to be established? Did you talk about that this morning?

MR. FORD: We didn't talk about that detail. This will be discussed in the various briefings from the Departments.

Thank you.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE

OF

SENATOP EVERETT MCKINLEY DIRKSEN,
CONGRESSMAN GERALD R. FORD, AND
RON ZIEGLER, PRESS SECRETARY TO THE PRESIDENT

AT 11:03 A.M. EST

MR. ZIEGLER: Ladies and gentlemen, the Leadership meeting began at about 8:40 and has just concluded. Senator Dirksen and Congressman Ford are here to give you a report on that meeting.

Senator?

SENATOR DIRKSEN: It was a long and fruitful meeting. We talked about situs picketing, about education, about organized crime, about tax reform, and we had some discussion of the present status on the Korea matter.

I think with reference to the latter, I need only observe to you that, number one, our naval vessels are out there; number two, the reconnaissance flights have been ordered to continue. Whether they are actually on their way, I can't say, but they have been ordered to continue. They will be afforded fighter protection and insofar as any action on our part is concerned, probably the only thing that need be said is the traditional one: That this country only warns once. I don't think I need say anything more about it.

Jerry, suppose you say something about the crime proposals.

CONGRESSMAN FORD: The President is sending up tomorrow a message on organized crime. It will provide for more money, it will provide for more men, it will fight against organized crime, it will provide for some reorganization within the Department to make it more effective in the battle against organized crime, and it will be a very, very significent message aimed at the worst element in crime in America.

Somebody quipped in the meeting that if they had stock in the Mafia, they would sell it beginning tomorrow. Therefore, with this message, and with three or four other messages that will be following shortly on crime, I think, the President's commitments made during 1968 will be fully carried out and will lead to some substantial progress in reducing the crime rate which is of deep interest to all Americans.

SENATOR DIRKSEN: I need only add to what Congressman Ford has said by stating that there will be extraordinary emphasis on the fact that the ill-gotten gambling gains by the racketeers, which are estimated at as much as \$50 billion, and then go into seemingly legitimate business, will be pursued with great vigor, for in so doing, you can dry up those revenues and it should be a tremendous diminution in crime.

We had a very considerable discussion about situs picketing. The Secretary of Labor is presently testifying before the House Committee on Labor. As you doubtless know, there has always been a difference of opinion with respect to situs picketing, going back to the time when the National Labor Pelations Board filed an action against the Denver Building and Trades Council. That was in 1951. That went to the Supreme Court and obviously the court sustained the position of the Labor Board.

From that day on it has been a matter of controversy, even in union circles, because the horizontal unions and the craft unions have not always been able to agree.

It was hoped, of course, that probably something might be done in this field if you develop certain protective safeguards. I am not prepared to say what those are. But I presume that they will be developed in the course of the Secretary's testimony.

Not the least of the items in this general picture, of course, is this question of productive boycott. The notable example, of course, is that Philadelphia Door case. But that, too, will be ventilated and then I presume we will have to see where we go from there in the face of this controversy.

Jerry may want to say something about the educational picture, because that is very much before the House.

CONGRESSMAN FORD: It certainly is, Senator.

The House will begin today the actual reading of the bill for amendments in the area of elementary and secondary education, including the impacted area legislation.

The Republicans in the House, and I think with substantial Democratic support, will seek to reduce the term from five to two years. We believe very strongly that we shouldn't enact legislation which would pre-empt the new Administration from making constructive recommendations for revision of the Elementary and Secondary Education Act.

If you have it for a five-year term, as the Majority Party proposes through their committee action, you have essentially eliminated the opportunity for this Administration to make constructive recommendations for changes in the area of elementary and secondary education.

We also hope to approve a consolidation of various education programs, NDEA programs and several others, in the Elementary and Secondary Education Act, so that you have a step forward in trying to have block grants to give to local educators the opportunity to decide for themselves within these four areas where they want to put the emphasis with Federal dollars.

I am optimistic that the House will make these several changes so that the new Administration will have an opportunity to move forward, I think, constructively.

SENATOR DIRKSEN: We discussed at some length the President's Message on Tax Reform. You have heard it said, I think from time to time, that there is a danger of a tax rebellion in the country. It won't be necessary, because the President has already demonstrated now, by this message, and other reforms to follow, that he is the leader of the tax crusade in the country so as to do justice and treat all taxpayers fairly and get rid of the tragic business of having people pay income taxes who are in the low poverty brackets.

As you know from his message, it is anticipated that about two million will be taken from the tax rolls. Generally speaking, this tax package is in excellent balance. One item that received a good deal of discussion, of course, was the seven percent investment credit, and for a very good reason. There probably are situations where that seven percent credit was something of a lifesaver.

Now, this is not exactly a case in point because that was authorized by the Transportation Department to the Mass Transit Organization in South Chicago for the benefit of the Illinois Central Railroad, but if it had been a taxpayer, it would have been a case in point. But there you had something where you do have over more than 200 railroad cars that are more than 43 years old, that are lobbing about 30,000 commuter passengers from the outskirts and the suburbs into Chicago and back.

That involves health and safety and there you might have a very justifiable case for an investment tax credit. But we will have to see how this works out. But in any event, this is a good start in the whole field of tax reform and I think it is, in the main, a very well balanced program.

So the President deserves credit for becoming the leader in this tax crusade for equity and fairness to all classes of taxpayers.

CONGRESSMAN FORD: There was one other matter that was discussed, and it will be in a message that will come up either Thursday or Friday. It is the President's proposal for an increase in various rates for the Post Office Department, first class, second class and third class.

This is pretty technical, but it will be reflected in a message on either Thursday or Friday.

SENATOR DIRKSEN: Ouestions?

O Senator Dirksen, you indicated that you think the tax package is balanced, but you have also indicated some reservations about the seven percent investment credit tax. If you take that out, the package is no longer in balance is it?

SENATOR DIRKSEN: That doesn't mean that you can't keep essentially your whole tax package. But the question is are there some exceptions where special situations are involved?

I don't believe anybody would want to jeopardize the lives of a lot of people, as in the case of the Illinois Central, with these rather archaic railroad cars. Suppose they don't have any money in the till with which to get cars, then what? Fortunately, that was worked out in a different fashion. I haven't seen it mentioned too much, but you see that loan didn't go to the Illinois Central Railroad. It went to this Mass Transit Organization in South Chicago.

Q Is the Administration prepared, as you understand it, to make exemptions and exceptions to the seven percent?

SENATOR DIRKSEN: Definitely not. I am only thinking in terms always of what can happen in either branch of Congress, and I don't believe in surprises. No lawyer does. Therefore, you always anticipate and at least you discuss them.

Q Are you going to propose some exceptions?

SENATOR DIRKSEN: I haven't the slightest idea and I can't tell you off the top of my head. Maybe yes, maybe no.

Q Senator, do you think Congress this year will make a start on the President's high priority program you mentioned of sharing some of the Federal tax revenues with States and cities?

SENATOR DIRKSEN: That was discussed very briefly, because it is still in a fragmentary stage and the Treasury has not completed its research on it.

Q Senator, what do you mean that we only warn once?

SENATOR DIRKSEN: Exactly that. The note of protest has been filed and I think it was crystal clear. I don't think anybody can misjudge the temper of that note. We have our vessels out there for whatever purpose they may have to be there for. We are giving protection to these reconnaissance flights.

Incidentally, there have been 190 of those flights since the first of the year. So there it is.

O Senator, are you saying that we are going to protect those flights which is obvious, from what the President has said, or are you hinting that there might be retaliatory strikes against North Korea?

SENATOR DIRKSEN: I didn't say a word about retaliatory. I only said that the President said, where all the world could hear, that these reconnaissance flights would be afforded protection; period.

Q Senator, have the reconnaissance flights, indeed, resumed?

SENATOR DIRKSEN: I don't know. They have been ordered resumed.

O Senator, what would you say would be the proper and necessary way in which the North Koreans must respond to our protests?

SENATOR DIRKSEN: I don't speculate on that for a moment.

What if there is no response?

SENATOR DIRKSEN: I don't quite know the temper of the North Korean mind.

O Senator, the President described the resumption of the flights as an interim response. Was there any discussion this morning of what might be the ultimate response?

SENATOR DIRKSEN: No, sir.

MORE

Q Congressman, could you tell us about the reaction of the tax reform proposals in the House and whether you think the Democratic tax reform is going to be satisfied or push forward with reforms now?

CONGRESSMAN FORD: Because the President grabbed the ball and came up with certain specific recommendations -- let me point out again this is the first President in my 20-plus years who has really advocated specific tax reforms.

I think the public as well as the House will respond. This doesn't mean that in the area of details that the Committee and the Congress will be in total agreement. But the format has been laid out for a well-balanced tax reform message.

Incidentally, on the investment tax credit, it was included simply because in the area of investment for plant and equipment, there has been a tremendous upsurge of some 14 percent.

If you are going to really carry out a balanced effort to try and reduce the cost of living, you have to take some action in this broad area.

We had nearly a 5 percent increase in the cost of living in 1968. It hasn't slowed down because the momentum was generated in 1968. There has to be some firm, effective action in this area, along with other areas, if we are going to campen the thirst of inflation and this is a necessary ingredient in any tax reform message.

Q Are you prepared to entertain some exceptions to the 7 percent repeal?

CONGRESSMAN FORD: Speaking for myself, I think the President's request, as it came up, for it to be effective as of yesterday, with no exceptions is the right approach. But I would not preempt the action of the Committee on Ways and Means or the House as a whole or the Senate in this particular area.

I think under the circumstances, the across-theboard approach was the only equitable way it could be done.

Q Beyond the Organized Crime and the Postal Message, what other messages can we anticipate in the next few days?

CONGRESSMAN FORD: I would say in the area of crime, you are going to have one on obscenity, you are going to have a message involving the narcotics traffic area, and you will probably have one on the rights of the accused. These will be coming along within a relatively short period of time.

Q Is that in addition to a general crime message?

CONGRESSMAN FORD: No, the four are the crime package, but they will come up individually with the Organized Crime one coming tomorrow.

Q There is some indication in the last few days that if a vote were taken now in the Senate that the ABM Safeguard proposal would not be approved.

Is that the way your votes count?

SENATOR DIRKSEN: No, sir.

THE PRESS: Thank you.

END (AT 11:20 A.M. EST)

FOR IMMEDIATE RELEASE

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE

OF

SENATOR EVERETT MCKINLEY DIRKSEN,

AND CONGRESSMAN GERALD R. FORD

THE ROOSEVELT ROOM

AT 10:13 A.M. EDT

SENATOR DIRKSEN: Let me say first of all that we had a very brief discussion of the ABM situation. I expressed my opinion to the effect that whenever this measure is called up to the Senate that it will pass by a comfortable majority. Beyond that I don't think we discussed it further, except that Jerry expressed himself with respect to the House of Representatives and he thought it would pass the House by a substantial majority.

CONGRESSMAN FORD: We also talked about a message which is coming up sometime this week on grant consolidation, which is an effort to get in the hands of the Executive the authority to consolidate programs such as the Executive now has for the consolidation of agencies and the like.

In other words, for example, I think there are five agencies that handle sewer and water pollution. If they can consolidate the programs with their varying formulas within an agency, it would be highly beneficial both in cost and the expediting of the programs themselves.

This message will come up Wednesday or Thursday, as I understand it.

SENATOR DIRKSEN: We also discussed the forthcoming message on obscenity. The approach, of course, will be to a modification of postal statutes so that you can put a responsibility on the mailer, make him identify the content on the outside of the package, so that if it is sent unsolicited, the householder or the recipient can readily identify what it is and can either accept it or not accept it.

It probably will be offered as an amendment to something that will be coming along very shortly in connection with postal legislation.

It is of a rather extraordinary interest to me because I have teed off on this general subject and on hard core pornography over a period of time. You will remember in connection with the last judicial nomination that it came rather prominently into the discussion on the Senate floor. Then, too, there was this strike down by the Court of the 27 or 28 cases that came out of California. All of those California decisions were nullified.

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Then, again, it comes up in connection with this recent film, "I Am Curious (Yellow)." I understand there is going to be a sequel called, "I Am Curious (Blue)." It is going to make "I Am Curious (Yellow)" look like some pinkie film, and you have seen nothing yet.

But I have had an amendment pending up there and I am going to offer it to anything that comes along which utilizes a provision in the Constitution where Congress can fix the jurisdiction of the Federal Courts and in this case, you deny to them the review power of a finding by a jury where there is a finding of fact that a given thing, whether it is a letter, or a book or a film is indeed pornographic and obscene.

So I intend to offer that somewhere along the line and then we will see where we are. But it has occurred to me for a long time that that is about the only way you can get at it really, and get around the courts' interpretation of the First Amendment.

Incidentally, the California legislature is considering the same kind of legislation and for all I know, it probably will be enacted during the course of the present session.

CONGRESSMAN FORD: I might supplement what the Senator said. The message involving obscene and pornographic material will be, I think, very favorably considered by the House Committee on the Judiciary and by the Committee on Post Office and Civil Service.

I think that Congress will respond favorably. The House Committee on the Judiciary is about to report out its version of electoral college reform. I understand following that action it will either take up the previous crime message or the message that will be coming on pornography and obscenity.

If I might add to what Senator Dirksen said about the ABM, we hope to get the military authorization bill out of the Committee on Arms Services and get it to the floor of the House. We believe this will be a good test, because in my judgment, the House of Representatives will substantially approve the President's recommendations for ABM.

The Democratic leadership, the Republican leadership, and an overwhelming number of members of the House will support the President on the ABM. This will be laying the groundwork, I think, helpfully, as far as the consideration in the Senate is concerned.

SENATOR DIRKSEN: I mention the fact that the so-called illegal gambling act, or bill, will probably be introduced today. There will be a few sponsors from both sides of the aisle.

I also call attention to a proposal that will be introduced today dealing essentially with civil rights. It will have four titles, one dealing with the selection of juries at the State level to bring them in line with what is required in the case of Federal juries under the Federal Selection Act.

Another title deals with appropriations for the Civil Rights Commission. A third deals with so-called cease and desist orders, insofar as the Equal Employment Opportunity Commission is concerned.

I have taken a rather dim view of granting that kind of authority to any commission. I recall all the discussion we had on equivalent power given to the Federal Trade Commission. Now it is proposing this new bill to give that authority to the Equal Employment Opportunity Commission.

Maybe something can be said for it, if the thing is nailed down, so that you don't impair the rights of the persons against whom the complaint is filed and, secondly, if there is adequate protection by reference to a Federal District Court in the first instance so that always and always there is that immediate right of review without prejudice of the right of the employer or the right of the employee.

It will be introduced today, as I understand, and there are four sponsors: Senator Javits, Senator Hart, Senator Scott and Senator Kennedy.

So there will be a very considerable discussion about it and I suppose long hearings, if it goes to the Committee. But if there is a chance to have it done, I think I will contend that it ought to be referred to the Senate Judiciary Committee.

Q Senator, how would you feel about the nomination of a National Science Foundation man, of any name, should he be opposed to the ABM?

SENATOR DIRKSEN: You say how do I feel about it?

Q How would you feel about it?

SENATOR DIRKSEN: I don't have any bias one way or the other. He may have a lot of other redeeming qualities that might overcome that.

Q Senator, did you discuss with the President your opposition to the nomination of Dr. Knowles?

SENATOR DIRKSEN: I did not.

Q Have you ever discussed that with him?

SENATOR DIRKSEN: Never.

Q Are you still opposed to it?

SENATOR DIRKSEN: I am still opposed.

Q Senator, did you discuss Dr. Long and the President's statement yesterday?

SENATOR DIRKSEN: No.

Q That seems to be in conflict with your feelings on the matter.

SENATOR DIRKSEN: I don't think so.

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Q Were you not reported as opposed to Dr. Long as Director?

SENATOR DIRKSEN: When I was asked about it I said I thought under the circumstances I might oppose him.

Q Senator, why are you opposed to Dr. Knowles' appointment?

SENATOR DIRKSEN: That matter has been, shall I say, adjudicated in the sense that I have nothing more to say about it.

Q Senator, what are the chances of passage of the bill vesting greater authority in the Equal Employment Opportunity Commission? You sound as if you would oppose the bill that is expected.

SENATOR DIRKSEN: Definitely not. But I can be opposed to some item in a bill without being hostile to the bill. As a matter of fact, I think what is shaping up is very desirable.

Q You said the matter of Dr. Knowles had been adjudicated. I don't quite understand that.

SENATOR DIRKSEN: I have made all my discussions and that is adjudication for me. I have nothing more to say.

Q For those of us who haven't heard that discussion, can you give us some background?

SENATOR DIRKSEN: No, I don't think so. I don't know why I should.

Q Are you going to make it a matter of Executive or Senatorial privilege to oppose him or allow it to go through?

SENATOR DIRKSEN: On that point, I have nothing to say until we see what happens. If his name should appear, I can always take a second look.

Q Senator, do you have a lot to say about the President's appointments?

SENATOR DIRKSEN: What appointments?

Q Any?

SENATOR DIRKSEN: Well, I don't know that the President confers with me about appointments. They are noticed up at the Senate. They are referred to the proper Committee. The Committee takes action one way or the other. If it is favorable, it goes

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to the Executive calendar and at that point, as a Member of the Senate, not as Minority Leader, but as a Member of the Senate, I work my will. Any Senator can do whatever I can do.

Q Senator, respectfully, that would strike some as sounding as if you are backing down on the Knowles' matter. Is that a correct interpretation?

SENATOR DIRKSEN: I don't propose to be lured into a discussion of the matter. Why not let events speak for themselves? You will find out soon enough.

Q Senator, you are believed to have opposed not only Knowles and Long, but Mr. Driver -- all three of them -- their nominations seem to have come to a stop.

SENATOR DIRKSEN: The Driver matter was suitably venilated in the press. Mr. Driver resigned. Why should I discuss it any further? I can only say to you when I look into these matters, I do my homework. Put that down. (Laughter.)

Q In terms of your homework, have you done a head count on the ABM to back up -- do you have any kind of ratio you think it will go by?

SENATOR DIRKSEN: I have been fingering a little. (Laughter.)

Q You said you were confident that the ABM would pass in the Senate. What kind of compromise is the Administration willing to offer to get it passed?

SENATOR DIRKSEN: There is no compromise in the offing insofar as I know.

CONGRESSMAN FORD: I think this was clearly stated by the President in conversations with Senator Dirksen and myself, that the President was not compromising. He felt that the Safeguard proposal, as recommended by him, was the minimum that we could undertake for our National security.

Q Senator Dirksen, in your discussion of the matter of obscenity, you mentioned the bill you want to have Congress fix the jurisdiction of the Federal Courts. Does the President support that bill?

SENATOR DIRKSEN: I didn't ask him.

Q Did you talk with the President this morning about the program announced yesterday at HUD on the change in the operation of the Model Cities program?

SENATOR DIRKSEN: No, it wasn't discussed this morning.

Q Did the President express a view about the bill that you were talking about, the equal opportunity bill, Senator?

SENATOR DIRKSEN: No. We had a discussion of the bill that is proposed, but it centered mainly on this question of the enforcement of the cease and desist order.

O Did he express a view on that?

SENATOR DIRKSEN: He participated in the discussion, without expressing a real hard and fast view.

CONGRESSMAN FORD: I think it is fair to say that the matter will be discussed next week or in the near future again to try and refine it so that there is unanimity on what ought to be recommended.

Q On the ABM, you made a point a minute ago that the President felt that the safeguard was the minimum that he would accept. Was there any discussion of making some other policy choices in the National security field which could be tied in with ABM and in that sense placate some of the critics on Capitol Hill?

CONGRESSMAN FORD: No, there was no discussion of that.

Q Do you know what his attitude is about that?

SENATOR DIRKSEN: It wasn't disclosed and we didn't ask.

congressman ford: I think it is significant to point out -- and this relates to some extent to what you have raised -- that there are those. I noticed vesterday, who wanted to stop the development of a strategic bomber, thereby knocking out our capability for long range high performance aircraft. I noticed there was some discussion yesterday that we ought to knock out both offensive and defensive capability in chemical, biological warfare. There are people who want to knock out the ABM, strip us of any defensive capability against ballistic missiles.

Where are they going to stop? Do they want to unilaterally disarm America, when we have a serious threat from the Soviet Union?

When you add up this whole package, and I think there must be some concert in the action, I think it is a very serious turn of events as far as the United States is concerned.

Q Are you charging that they are intending to unilaterally disarm America?

CONGRESSMAN FORD: I am simply saying that when you add up all of the things that I see coming from various sources, if you make that total package -- and they achieve their results -- in effect, the United States is seriously eroding their defensive capability against attack.

Q What do you mean when you say a serious threat from the Soviet Union? What is the serious threat?

CONGRESSMAN FORD: If you go back to the speech that is often quoted in part by former President Eisenhower, not the part about the military industrial complex, but the other part, if you will recall, former President Eisenhower warned us against a threat from overseas and warned us that we must be strong militarily in order to preserve the peace and to protect our own National security.

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I am not naive enough to believe that the Soviet Union is going to just roll over and take the same kind of actions that some people in America want us to do. They are going to be strong. We have to be strong. This may be the best way to preserve the peace.

But if you do all of the things that some of these people apparently want us to do, put them in a package, I think our military situation at home is in serious jeopardy.

Q Congressman, I think you used the word "concert. Are you suggesting that there might be some central direction to this opposition to the ABM and other military ---

CONGRESSMAN FORD: I have no facts on this, but I see these several steps or recommendations or speeches being made and I can't help but be interested and I just hope that they are not in concert and I trust that they won't be successful in concert.

 ${\tt Q}$ Who are you talking about, sir? Could you call some names?

CONGRESSMAN FORD: The speech made yesterday on the floor of the House of Representatives by Congressman Max McCarthy, in reference to chemical and biological warfare. I can't recall who in the news yesterday advocated the stopping of any development of a strategic long-range bomber, but as I recall, it was some Member of the House or Senate, and, of course, you are as familiar as I am with those who are urging that we not proceed with the minimum program of an ABM.

Q What do you think is their motive in this?

CONGRESSMAN FORD: I don't challenge their motives. I simply say that I think the Congress ought to be very alert not to do all of the things all of these people want or we will find ourselves in the same kind of a serious situation we were in prior to World War II.

Q Mr. Ford, the way you used that word "concert" gives it a devious, even a subversive element in there. Aren't you people in concert trying to get the ABM through? What is wrong with being in concert?

CONGRESSMAN FORD: I said it may appear to be that they are in concert, but those of us who support a minimum ABM program are acting on the basis of a recommendation from the President and on the basis of previous Chief Executives.

This is just one defensive weapon system that is important to the National security of the United States, at least we think so. I don't challenge any motives. I simply say on the basis of the facts this is a program that is needed in the overall picture of our defense setup.

Q Has the President expressed himself about this trend that you mentioned?

CONGRESSMAN FORD: No, the President has not.

Q Senator Dirksen, do you share Congressman Ford's view of this situation?

SENATOR DIRKSEN: Let me simplify it. I know what I think. I know what I believe. If I believe it hard enough, then I will go out and get a few converts to my cause. I am for ABM, period. If I can talk somebody else into it who has some voting power, that will be all right, too, because I will just ask them to share my convictions, period.

Q Senator, do you see a trend toward unilateral disarmament developing among the opposition?

SENATOR DIRKSEN: I wouldn't know. I don't pay enough attention to it, I suppose.

Q To that extent then, you don't agree with Congressman Ford?

SENATOR DIRKSEN: I don't agree or I don't disagree. He has heard speeches over on the House floor. I have heard no comparable speeches over on the Senate floor except people who are opposed to the ABM. They are entitled to their opinion. I don't fuss about it. I don't quarrel because their prerogatives are equal to mine as a Senator.

Q Senator, do you think Congress will pass higher postal rates this year?

SENATOR DIRKSEN: Higher postal rates? Definitely so. It is absolutely necessary if you are going to protect the budget. There has to be additional revenue. Otherwise, your deficit gets larger and larger and goodness knows, that postal deficit is astronomical already.

THE PRESS: Thank you.

(AT 10:35 A.M. EDT.)

END

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE

OF

SENATOR EVEPETT MCKINLEY DIRKSEN, AND CONGRESSMAN GERALD R. FORD THE ROOSEVELT ROOM

AT 10:15 A.M. EDT

SENATOR DIRKSEN: Good morning, ladies and gentlemen.

Most of the discussion this morning centered around the Job Corps program. We had Secretary Shultz and others who discussed it and everybody put in on the discussion.

As you know, of course, they will cut the number of the Corps, I think, from 104 to 54 or 59, with emphasis on the fact that no corpsman will be left out of a program because he will have his choice, pretty well, of any camp where he wants to go. But we are weaponed now not only with the findings of the Secretary of Agriculture, but also a rather extended report by the Comptroller General. I have gone through that report in large part and also the summary. I think a valid case is made for what the Administration is trying to do because it will produce efficiency and objectivity.

One of the difficulties with the program today is that even after you screen your applicants, there are, what is it, 30 percent who don't even show up for camp and then you get a large dropout at the end of 30 days and a larger dropout at the end of 90 days, so that the ultimate number who graduate who find job placement is comparatively small considering the cost.

The direct cost is about \$6,600, according to the findings of the Comptroller General, but if you add the indirect cost it is \$8,300 per corpsman. And that is a pretty high amount.

We think we can do infinitely better and develop a far more efficient program. And so this restructuring, I think, is certainly a justified approach.

CONCRESSMAN FORD: I might add that out of the 100, for example, who are referred or accepted for the Job Corps, only 17 out of the 100 actually are placed on a job. It is the aim of the Administration to make available as quickly as possible and as immediately as possible these near-city job training facilities, and, in addition, to try and open up, as a more practical approach, the other training slots for those who otherwise fall into the Job Corps training program.

It is also the aim and objective of trying to help this particular summer in making available job opportunities for the individuals in our major metropolitan areas.

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The approach that is recommended by the Secretary of Labor, in our opinion, is a far more effective way from the point of view of getting the young people trained in a far less costly process.

I might make one other observation. We did discuss the Administration's program in the area of hunger. The Secretary of Agriculture is going to appear before a Senate Committee tomorrow and will lay out what we believe is a very broad answer to the demands on the part of all segments of our society for a better administration and a more effective hunger program.

SENATOR DIRKSEN: I might add, with respect to the hunger and malnutrition program, that in the budget for 1970 there would be in direct authorization and appropriation about \$340 million. It is proposed now to add \$275 million to it.

That, of course, does not encompass other things that are in the budget, such as school milk and other things, but that will provide \$615 million for the program.

It will, of course, be made a good deal more efficient. Some of the waste and extravagance will be squeezed out. But while you have both direct distribution and the food stamp proposal, the emphasis will be on food stamps because it appears that it can be done more effectively and more economically.

CONGRESSMAN FORD: There is one other figure that I think is significant, as pointed out by the Director of the Bureau of the Budget. In fiscal 1969, \$24:2 billion is made available by the Federal Government for those below the poverty level. In the fiscal 1970 budget, recommended by this Administration, there will be \$27.2 billion available.

In other words, a \$3 billion increase over the funds available in this current fiscal year.

SENATOR DIRKSEN: Do you have any questions?

Q Could you tell us the status of the NLF Treaty?

SENATOR DIRKSEN: Actually, there has been no change that I know of.

Q I meant the NPT.

SENATOR DIRKSEN: You mean the Nuclear Non-proliferation Treaty. It has not been discussed and, frankly, I have not heard it discussed even on the outside or in the Senate for guite some time.

Q Senator Dirksen, did you discuss with the President at all the speeches by your colleagues, Senator Aiken and Senator Scott asking for withdrawal of American troops?

SENATOR DIRKSEN: No, it was not discussed, as such. But I can say to you, there has been definitely no change in the Administration program. There is no retreat.

- 0 What do you mean by that?
- Q Senator, does that mean the Administration plans or does not plan to withdraw troops under the circumstances which the President laid out in his press conference?

SENATOR DIRKSEN: Well, I am not in a position to discuss detail there. All I know, I think, is, there has been no change.

- Q From what to what?
- Q What is the position at the present time?

SENATOR DIRKSEN: What is the position? The Paris negotiations are going forward. There may be some work going on behind the scenes -- that is a suspicion on my part. But we are going right ahead to see if we can't wind this thing up in an honorable way.

Senator, was there any discussion of the controversy involving Justice Fortas?

SENATOR DIRKSEN: All I can say is that it was mentioned almost in passing, because you treated it so generously in the press and on TV. The speeches on the Senate and House Floor speak for themselves. Beyond that, there was no discussion

CONGRESSMAN FORD: I might make an observation there. I believe that this is a non-partisan issue. It has been and it should be. The charges are very serious, including the 11-month lag in the return of the fee. But it seems to me that this is a problem that ought to be discussed between the Majority Party, the Democrats, and the Republicans, to see what is the proper course of action to take.

I think there are two areas where some action might be taken. It seems to many in the House, particularly, that there ought to be an examination of the distributions by some of our foundations in the way that they have been making such distributions; and, secondly, there ought to be consideration of a disclosure requirement for the Federal Judiciary, just like there is a requirement for the Executive and the Legislative Branches of the Federal Government.

O Senator Dirksen, there are a lot of stories appearing lately saying you have been giving the Administration a bad time about a number of appointments. How do you feel about those reports? Are those appointments discussed in these meetings?

SENATOR DIRKSEN: All I can tell you is that if I have a conviction on the subject, why, I utter it and I think in so doing I express my fidelity to the President, since sometimes things come to your attention that may not come to his ears or to his ministers in the Cabinet and obviously he accepts that in the best of grace.

I think what happened on Saturday speaks for itself. He invited me to go along down to see Jim Byrnes and we went to the Derby together. So if anybody wants to put it

on the ground that there is some feeling about it, there is not.

Now, let me just amplify that. When it came to Mr. Brown of EEOC, I said three weeks ago to Senator Scott here at the White House that if his name came up I would put a hold order on him until I knew a little more about him. That was conditioned on the fact that Mr. Brown had been nominated in the prior Administration. He went out to California with the Commission before he was confirmed by the Senate and there he participated in three days of hearings. Those I ventilated freely on the Hill.

Now, that is the reason I wanted to know a little more about his viewpoint. He did me the honor of coming to see me yesterday morning. We spent 45 minutes together. I had a chance to ask all the questions I wanted. I discovered that he was a very personable fellow. He had excellent antecedents and he knows pretty well where he is going and altogether I was satisfied and I announced on the Senate Floor that I would vote for him.

Q I would like to ask whether you feel Justice Fortas should step down from the Bench?

SENATOR DIRKSEN: I expressed no feeling in the matter. That is a matter for Justice Fortas at the moment.

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-5-Could Congressman Ford answer that question? O CONGRESSMAN FORD: Would you repeat the question? Do you feel personally that Justice Fortas should step down from the Bench? CONGRESSMAN FORD: I think that is a decision he has to make under the circumstances. Do you favor an inquiry by a Senate committee into the allegations made by Life Magazine about the Justice? SENATOR DIRKSEN: I am not sure that I do. have to examine those allegations very carefully to see whether there would be an occasion for action. You know that Senator Williams made the proposal that foundations ought to be denied tax exemption privileges if, for instance, they subsidized or hired or put somebody on their payroll who was in public office. But he did not limit that resolution to the Members of the Court. He included Members of the Executive Branch and Members of the Legislative Branch, as well, and also went sofar as to say that for a period of two years after their exit from public office that the terms of that resolution should apply. Senator, you have always opposed disclosure by the Legislative Branch, if I am not mistaken. SENATOR DIRKSEN: Peter, you are very imprecise in your language. What I opposed was a disclosure of your income tax. What do you favor disclosure of? SENATOR DIPKSEN: Well, I disclose under the modifications of Rule 42 and 44 of the Senate. So, if you are curious, Peter, go up to the Senate Clerk and ask to take a look at the one I have to file under Rule 44 because I think I am going to file it today. Senator, do each of you favor a disclosure rule or law for the Supreme Court or for the Judiciary as a whole, as you now have for Congress and Federal officials? SENATOR DIRKSEN: It is a matter that probably ought to be considered, especially so now that you have raised the pay of the Judiciary. CONGRESSMAN FORD: I think I said earlier that this is something the Congress ought to consider, to have the same standard for the Members of the Judiciary that we have for the Members of the Executive Branch and the Legislative Branch. I heard you say "consider" but do you personally favor it? CONGRESSMAN FORD: I think the argument is persuasive under these circumstances that it should be done. Did you get a reading of how the President might feel about that provision? CONGRESSMAN FORD: It was not discussed. I might add just one point, because it was discussed by the President with MORE

Senator Dirksen and myself, in the ABM controversy that we are all familiar with, the President reiterated that he intends to stand by the Safeguard system because it is the minimum necessity for our national security.

O Senator, could I go back to Vietnam for a mement? Is it your feeling that the proposals of Senator Scott and Senator Aiken are in fact a retreat and can we interpret your remarks about there is no retreat as a rejection of their proposals?

SENATOR DIRKSEN: You have to speak in the context of time as of now. I know of no suggestion for a retreat or for a dimunization of our troops as of now.

- O Did the Social Security proposals come up?
 SENATOR DIRKSEN: No.
- Q Congressman Ford, could you give us any insight as to whether there is any chance of getting the Social Security measure through the House this year?

CONGRESSMAN FORD: I was somewhat surprised by the announcement made through the press by the Chairman of the Committee on Ways and Means. I believe there is a great need, a great demand for some action in the area of Social Security in 1969.

Both President Johnson and President Nixon have said that they thought there ought to be an increase in Social Security benefits. I subscribe to the request made by both the previous President and the present President. I would hope that the Committee on Ways and Means could take affirmative action.

THE PRESS: Thank you very much, gentlemen.

END (AT 10:35 A.M. EDT)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE OF CONGRESSMAN GERALD R. FOPD THE ROOSEVELT ROOM

AT 10:01 A.M. EDT

CONGRESSMAN FORD: First I should explain why Senator Dirksen is not here. He has to go up and introduce Don Rumsfeld to the Senate Committee involving the confirmation of Don as the new head of OEO.

The meeting with the President this morning was shorter than usual. There was a limited agenda because the President has another meeting in the Cabinet Room, I think with Dr. Abernathy.

The subject matter primarily involved the decision of the President, which he made this morning, to firm up his message which is going to the Congress today on draft revision. The message will primarily urge that the Congress amend the present law sufficiently to give him the authority to select nineteen-year-olds for the draft and to remove some of the uncertainties that presently exist for young men who come of draft age, and then from nineteen to twenty-six, have the problem hanging over their heads.

Under the proposal by the President there will be random selection in the nineteen-year-old category each year. If a man is selected under this random process and it is estimated it would be about one in six or one in seven, he still gets the benefit of his educational deferment, or any other deferment. However, he knows at the age of nineteen that he is in that category, which means he will be selected when he concludes his temporary deferment.

I think the uncertainty of all young people from nineteen to twenty-six that they are going to be drafted has created a great deal of concern and apprehension and this proposal, which to a large degree is comparable to what the draft bill was that was passed by the Senate a year or two ago, would be a step in the right direction.

Other than that there was no discussion, except in broad outline of the President's speech tomorrow night.

Q How soon would this new draft proposal go into effect?

CONGRESSMAN FORD: The message is coming up today. Hearings will be held, it is hoped, in the Senate first. As I understand it, Senator Stennis is currently conducting hearings on the procurement proposals. I assume this would follow those hearings in the Senate.

Q But I mean if it was approved and passed?

CONGRESSMAN FORD: Probably if it is approved in the form recommended by the President, it would go into effect January 1.

Q What do you think of the prospects?

CONGRESSMAN FORD: I hope they are good, but at the moment it might be a little hazardous to be categorical. I think the removal of the uncertainty for young people going into the draft age is a very, very important problem. I think the public wants it. I think the Congress wants it. The Senate approved it basically two years ago. I would hope that we can do it this year so that young people who become nineteen next year will be affected by the change.

Q Did the President discuss the timing of his speech and why he is making his speech now, what he is trying to accomplish?

CONGRESSMAN FORD: He said that approximately three and a half months had passed and he felt that it was desirable that he lay out the Administration's views on the situation in Paris and elsewhere?

- O Did he tell you what he was going to say? CONGRESSMAN FORD: No, he did not.
- Q Will it be a sort of State of the Union Message?

CONGRESSMAN FORD: I would not say a State of the Union Message. It is a summary of the situation in Paris and related areas.

Q Did he talk about troop withdrawals?

CONGRESSMAN FORD: No, there was no discussion about troop withdrawals, but it was said that the speech tomorrow night would not involve troop withdrawals.

Q I was going to ask you whether it was just a summary or will there be proposals of one kind or another, specifically diplomatic proposals?

CONGRESSMAN FORD: This detail was not discussed.

- Q Did you discuss the Fortas affair at all?

 CONGRESSMAN FORD: The Fortas matter did not come up.
- Q You were quoted yesterday saying that you had cautious optimism about peace in Vietnam. Were those views reinforced today?

CONGRESSMAN FORD: My observations of yesterday about cautious optimism were reinforced by the general summary the President gave us.

Q Did you see the speech?

CONGRESSMAN FORD: I have not.

Q Are you familiar with the disclosures on Justice Fortas that the Justice Department has? Have you been told about those and what they are?

CONGRESSMAN FORD: I know nothing about the details. I hear the rumors and read the stories, but I don't know the details.

Q Have you been given a report by the Justice Department?

CONGRESSMAN FORD: I have not.

Q Have you asked for it?

CONGRESSMAN FORD: I have felt that under the circumstances, with the possibility of some action in the House, that it was not advisable for me to know at this stage any of these additional charges, if they do exist.

Q What took place in your meeting this morning with the President to reinforce your cautious optimism about Vietnam?

CONGRESSMAN FORD: I think it was an accumulation of what we have heard heretofore, that the Administration has a deliberate plan and program, not only involving the Paris negotiations, but military operations. I have a great deal of confidence in the President and I think that knowing he has such a plan and a program gives me additional hope that we can expect some results.

Is it a plan that is in force now, that is proceeding?

CONGRESSMAN FORD: I assume all of the steps taken by this Administration since January 20 in this regard are predicated on a coordinated plan, military and diplomatic, and I think they are.

Q Will the public be advised about such a plan tomorrow night?

CONGRESSMAN FORD: We did not get into these details, but I assume that this speech is a part of the desire on the part of the President to bring the public up to date on what he has been able to do and what his future aims and objectives are.

Q Does this plan regarding military operations include a cutback in U. S. forces in Vietnam?

CONGRESSMAN FORD: That was not discussed.

MORE

(OVER)

Q Is the plan now at the stage that the President anticipated it would be when he took office? I imagine he had a timetable.

CONGRESSMAN FORD: We did not discuss that aspect of it. I had the feeling the President believes things are moving along as he hoped for or anticipated, but that aspect was not discussed.

O Did the President discuss at all how the other side is behaving with respect to a settlement?

CONGRESSMAN FORD: I think the President feels some progress, from the point of view of the enemy, is being made, but we did not get into the details as to what specifically he thought was a change in their attitude.

Mr. Ford, was there any discussion of any other messages to come or any other items on the legislative agenda?

CONGRESSMAN FORD: There were not. The draft message was the only specific legislative matter that came before the group this morning.

MORE

Q Mr. Ford, under the present draft system the Army gets many of their junior officers from the colleges who are in effect sidestepping the draft. Under the system where the ROTC is being removed from the campuses, where would the Army get the officers from, if you remove the uncertainty?

CONGRESSMAN FORD: Ron tells me the details of this will be given in a briefing here later. I would say that very few, however, of the colleges, have actually eliminated the ROTC, some, but a limited number. It will be interesting to see what happens if they ever demand the removal of ROTC from land grant colleges. You know there is a specific requirement that a land grant college, if they expect to get Federal funds under the Morrill Act, have ROTC. Now, to my knowledge, none of those colleges where this problem has arisen fall in that category, but I would be interested to see just what the attitude will be of some of these college presidents when that problem gets on their agenda.

Q Mr. Ford, you are not going along with his premise that a man who goes into ROTC as a volunteer is sidestepping the draft, are you?

CONGRESSMAN FORD: Personally, I do not, because in most cases where the ROTC exists, they volunteer. I might say I have a son who is a ROTC volunteer and I don't think he is sidestepping the draft by taking such action.

Q Has random selection ever been done before? Wasn't it sort of turned down the last time?

CONGRESSMAN FORD: I think in World War II, when some of us here had our numbers drawn out of the lot, that was pretty random, and that was in effect for some four years and some of us were affected by it.

Q Is that the way it will work this time?

CONGRESSMAN FORD: Within age categories, starting at age nineteen.

 Was there any report this morning or any discussion of the prospects of the ABM?

CONGRESSMAN FORD: None whatsoever.

Q Did you discuss campus unrest and any possible legislation?

CONGRESSMAN FORD: No, sir.

 ${\tt Q}$ ${\tt Did}$ you get the impression that the President is going to make any new announcements tomorrow night?

CONGRESSMAN FORD: I think the mere fact that he is making his first nationwide speech implies there will be something of public interest in this matter.

Q Did you discuss the job corps?

CONGRESSMAN FORD: We did not.

Q How long did the meeting last?

CONGRESSMAN FORD: It started at 8:30 and we quit at 9:45.

Q Did the President say why he decided to rush this message through today?

CONGRESSMAN FORD: There was no specific reason. The Secretary of Defense was there and took 45 minutes, or thereabouts, to answer a great many questions raised by some of the members. This was the real core of the meeting this morning.

Q Were you briefed by Attorney General Mitchell last week on the Fortas affair, at the Leadership meeting?

CONGRESSMAN FORD: No, he was there for the purpose of talking about one of the crime messages and someone raised the Fortas matter, inasmuch as it appeared in the Life Magazine article the day before, but he did not brief us as such on the Fortas matter then and the matter did not come up today.

O Did he indicate that there was something more on the Fortas affair other than what has been said?

CONGRESSMAN FORD: I always felt those meetings, other than what either Senator Dirksen or I give you, are executive session, so I don't think I should go beyond what you have read and heard the last few days.

THE PRESS: Thank you.

(END) (AT 10:10 A.M. EDT)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
CONGRESSMAN GERALD R. FORD
AND
RONALD L. ZIEGLER
THE ROOSEVELT ROOM

AT 10:35 A.M. EDT

CONGRESSMAN FORD: Good morning. I regret to say that Senator Dirksen was unable to attend the meeting this morning because he is out at Walter Reed for one of his more or less regular check-ups; no crisis, no unforeseen problem. He is simply out there for the purpose of a regular check-up.

The meeting this morning with the Leadership and the President covered generally four areas: One, the Attorney General was at the meeting and discussed the forthcoming Presidential message in the area of the extension of voting rights legislation. The present act expires in August of 1970. The Attorney General is coming up to the House Committee on the Judiciary sometime this week or early next week to make recommendations and coincidental with that testimony by the Attorney General will be a Presidential message proposing the extension of the Voting Rights Act.

The Postmaster General also appeared before the Leadership to discuss in broad terms the anticipated Presidential message and the recommendations of the Post Office Department for the reorganization of the Post Office Department.

Dr. Kissinger took time this morning to discuss their estimate of the President's speech, both domestically and internationally. It was also pointed out that it was more or less anticipated that there would be a follow-up meeting with the Saigon government. It was reported by Dr. Kissinger that the Saigon government is enthusiastically favorable to the specifics, the recommendations of the President in his speech of last Wednesday.

It was also indicated that within a week or so there undoubtedly would be a foreign aid message from the President.

Those are the four areas we covered. I will be glad to answer any questions.

O In view of Dr. Kissinger's statement that Saigon was enthusiastically favorable, why is there such a hurried meeting with President Thieu?

CONGRESSMAN FORD: I don't believe this could be called a hurried meeting. It is my understanding that this had been to some extent anticipated in the overall plans that had been made both prior to the speech and subsequently. It doesn't necessarily coincide with the speech, but it was a part of the overall plan that had been worked out since the President took office.

Q What was Dr. Kissinger's estimate of the domestic effect of the speech?

CONGRESSMAN FORD: The domestic effect, editorial-wise and otherwise, he reported was favorable. I can assure you that from the mail I have received and the editorials that I have seen from various newspapers throughout the country, it indicates that the President got a good public response domestically.

According to Dr. Kissinger, the survey of the newspaper editorials world-wide in the Free World was extremely favorable. The French press, the Indian press, the British press, all seemed to consider it a great forward step in an effort to resolve the problem in Vietnam.

Q Jerry, did you get an estimate from Dr. Kissinger of the Communist reaction to the speech?

CONGRESSMAN FORD: I think it can be best summarized that he felt their response a day or so after the President's speech was a rebuttal, but not a rejection.

Q Did you have a feeling that troop withdrawals would be discussed at this forthcoming meeting at Midway?

CONGRESSMAN FORD: The agenda was not discussed except that it would include the political as well as the military, and none of the details other than that were outlined.

O You said Dr. Kissinger said that this meeting between the two Presidents was more or less anticipated. What did he mean by that; that they expected that President Nixon would have to talk to him?

CONGRESSMAN FORD: No, it was anticipated that as we move down the road trying to find an answer that the two Heads of State would get together to make certain and positive, not only in the present but in the future, that they would be going down the same track.

In the past, as you know, not during this Administration, but previously, there had been some public differences between Saigon and Washington. I think this Administration wants to make sure we don't make that mistake again.

Q Are you talking specifically about the Midway meeting?

CONGRESSMAN FORD: Yes, sir.

Q Mr. Ford, was there any discussion about the process by which the President is picking some nominees for the Supreme Court or where that stands?

CONGRESSMAN FORD: There was no discussion.

Q What is the general shape of the Post Office reorganization that is going to be proposed?

CONGRESSMAN FORD: Until we have another meeting and have an opportunity to try and iron out some of the areas where there are some uncertainties at the moment, I think it is best not to discuss the details.

Q Mr. Ford, is the Speaker's decision to let the Senate take the ABM first a setback for you, for those who are proponents of the ABM?

CONGRESSMAN FORD: As I indicated, I think it would have been helpful to have the issue in the House first. I don't think it is a setback for the Administration at all, because I still feel that the Administration will be successful in getting Congressional approval for the ABM Safeguard system.

I ought to mention that in the supplemental appropriation bill that is on the Floor of the House today and tomorrow I am told that some of the ABM opponents might take the initiative and try to write in some limitation preventing the Defense Department from obligating or spending any money for ABM research and so forth. I personally would welcome their initiative in this regard, because I think we might be very helpful on the cause by giving them a pretty good licking.

Q You control the motion to recommit on that bill. Do you anticipate you might get something to put in a bill so you could recommit?

CONGRESSMAN FORD: The motion to recommit is usually used as something favorable for the Administration. I don't think we would relinquish this prerogative of the minority for a test on this. But if they offer a motion or an amendment during the consideration of the supplemental appropriations bill as we read it for amendment, I hope we can have a test on it.

Q But that would be a non-roll call test because you would be in committee.

CONGRESSMAN FORD: We could get a division and a teller vote and I think you sitting in the gallery could count the troops on either side, and I think it would be overwhelmingly for the Administration.

Q Are you saying we are totally in tune with the Saigon government for the goals in Vietnam, for example, the coalition government? In the speech it seems to me there are wide loopholes where it would be acceptable to us and the Saigon government has not so indicated.

CONGRESSMAN FORD: As I understand it, the Saigon government approved the words, language, and the phrases as the President gave the speech on Wednesday. There has been no modification of the President's view and the Saigon government endorsed it.

Q Did you discuss at all the problem of a coalition government?

CONGRESSMAN FORD: No discussion was held on that particular point.

Q Just a minor question -- Ron might have covered this this morning, and I was not here for that -- since this meeting with President Thieu was not a hastily called meeting, and since it could have been convened, I assumed, on June 10, for example, since the President was going to speak at Ohio State University on June 8, and since that is of significance, going to a major college campus, what is your feeling at this moment that he is not going to a major college campus?

MR. ZIEGLER: I can respond to that. I did not cover that particular question this morning.

The date of the meeting, of course, was arranged at a time which could best fit both President Thieu and President Nixon's schedule, and that was the reason for the date. As Congressman Ford indicated, the President's meeting had been anticipated. The President has not had an opportunity to meet personally with President Thieu since he has been in office, and the President wanted to do this at the earliest possible time.

MORE

Q Did you establish whether he has met him before as a privite citizen?

MR. ZIEGLER: The President indicated that he has met President Thieu on two different occasions. But he has not met with President Thieu since he has been President, of course.

One additional fact that I didn't give you this morning in relation to a question on this, Ambassador Bunker, Secretary Rogers and Secretary Laird will accompany the President to Midway.

Q Could I ask you a corollary question? Is the President speaking at another college commencement exercise to make up for Ohio State?

MR. ZIEGLER: There is nothing on the schedule now.

Q Will Bunker be coming back to this country after Midway?

MR. ZIEGLER: No. Again, the schedule is not totally firm, but the information I can give you is that Ambassador Bunker, Secretary Rogers and Secretary Laird will be at the meeting in Midway.

Q Will General Wheeler be there?

MR. ZIEGLER: Those are all the individuals I have now that I can indicate to you.

Q You don't rule out General Wheeler then?

 $$\operatorname{MR}.$$ ZIEGLER: I just don't know. As soon as it is firmed up we will give it to you.

Q Will Secretary Rogers be coming back here and then going to Midway or will he go from Asia?

MR. ZIEGLER: It would be my feeling that he would be here, but I don't have his schedule.

- Q He is due back here on May 27th.
- Q Can I ask how long the voting rights legislation will be extended for?

CONGRESSMAN FORD: The actual term was not discussed. There was at least one who raised the question of whether it would be permanent legislation. I think this is something that will be resolved prior to the President's recommendation, but no firm decision was made on it.

Ω Do you want any changes in that?

CONGRESSMAN FORD: Yes, I think there can be some beneficial changes. I think in general I can say that it will be broadened to be all-encompassing as to geography and it will have stronger provisions related to vote frauds, the corruption aspect.

Q Congressman Ford, did the situation on the surtax come up and could you give us your assessment on whether the surtax extension is in trouble in the House now?

CONGRESSMAN FORD: There was no discussion at the meeting this morning concerning the proposed tak bill, the surtax, the investment tax credit, repeal and the other tax reforms represented by the President. But it is my personal feeling that in the final analysis the Congress will take affirmative action and if we don't, I think the Congress can be charged with failing to face up to a serious economic threat, inflation, and so forth.

So I personally strongly support the President's proposal and I hope the Congress has the good sense to move ahead and do something about the overall problem.

Q How about the spending limit?

CONGRESSMAN FORD: There was no discussion about the spending limit. I don't mind reiterating that I believe that the provision in the supplemental appropriation bill is good legislation. I think the Congress will eventually approve it in one form or another.

Q When do the messages go up?

CONGRESSMAN FORD: The voting rights -- no special date, but I would say within a week or maybe before. The one on Post Office reorganization, probably sometime next week.

MR. ZIEGLER: Possibly.

Q Was there any discussion on drug control, Federal legislation, in light of the Supreme Court decision yesterday?

CONGRESSMAN FORD: There was no discussion on that.

Q Was there any discussion on Supreme Court vacancies?

CONGRESSMAN FORD: No.

THE PRESS: Thank you.

(AT 10:50 A.M. EDT)

e END

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
SENATOR EVERETT M. DIRKSEN
AND
CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 10:45 A.M. EDT

CONGRESSMAN FORD: Good morning.

We had a rather lengthy, as you know, discussion on three or four very important matters, the first of which I will comment on because it is on our agenda in the House of Representatives, the status of the surtax.

The President has had the firm assurance of the Democratic and the Republican Leadership in the House, and I believe in the Senate, that they would go sled-length in getting the extension of the surtax package which is right now, this morning, before the House Committee on Ways and Means.

It is a three-pronged package for the extension of the surtax through January 1 and the phase-out, the decision of the seven percent investment tax credit, and the inclusion of the President's proposal for removal of about 5 million taxpayers from the Federal Income Tax rolls.

We certainly hope, in light of the support given by the Speaker, by the Democratic Majority Leader, and by the Democratic Whip, and the full support of Wilbur Mills, Chairman of the Committee, that that legislation will come out of the committee and be approved, and I think it will be approved in the House of Representatives, certainly with overwhelming Republican support.

It would be catastrophic, in my opinion, if this tax bill was not approved. The economic consequences at home and abroad are almost unbelievable. And when the chips are down, in my judgment, the Congress will approve the legislation.

SENATOR DIRKSEN: I might add to what Jerry had to say, that I was tremendously impressed with the statement made by Arthur Burns some weeks ago to the Leadership. He tried to sketch out the impact it would have in Europe on the bankers over there who are in the world scheme of things and who might finally conclude that we refused to face up to the fiscal problem that we have here in the country. That was implemented, of course, by Secretary Kennedy.

So this is a must. This is highly important. And I point out, also, that for those who are always interested in projects and in spending that if this revenue is not generated, obviously, you are just going to have to curtail the expenditure budget by that much and sometimes that becomes rather painful. So this is a very, very important matter and I am pretty sure that when the time comes that both branches of the Congress will rise to the occasion and they will meet the challenge.

Perhaps I should add that one other item that we discussed this morning was the supplemental appropriation bill which is presently before the Senate.

There was a good deal of rumor and speculation as to what kind of riders and amendments might be offered. In fact, there was broad speculation as to whether something relating to ABM might be offered in the form of a limitation that none of the funds provided in the second supplemental could be used for that purpose.

I prefer not to mention the names of any Senators, but one Senator who had in mind just such a thing has decided not to offer it. As for the so-called MIRV amendment, which was first contemplated by another Senator, he stated very categorically yesterday that that would not be offered either.

So insofar as I can tell there are two and possibly three amendments to the bill. One will deal with an exemption for the Veterans Administration; one will try to hike the amount that has been appropriated or authorized for the Peace Corps by 55 million; and then it remains to be seen whether or not someone will want to amend the so-called expenditure ceiling in order to make it more effective.

The enactment of the bill may not take too long. I thought we would be on it for some days, but it is conceivable that it could be finished today.

CONGRESSMAN FORD: There was one other item on the agenda. The Attorney General was at the meeting and we discussed the proposed extension of the Voting Rights Act. It will be recommended for extension by the Attorney General in an appearance before the House Committee on the Judiciary tomorrow, a minimum of three years and the possible extension to five years. There may be some proposals involved in the substance of the Act, but I think the Attorney General is the man who ought to speak to those.

SENATOR DIRKSEN: Probably one other fact might be noted and that is, actually, the Act does not expire until late 1970, so there is ample time in order to give that matter full consideration.

We had Don Rumsfeld, the Director of the Office of Economic Opportunity, to give us a kind of a rundown and report on what he has accomplished thus far.

He was sworn in only three weeks ago, but already he has moved in like a regular professional. His touch is deft; it is very good. He has brought in some advisers and some accountants and some engineering talent that will stand him in very good stead. There is a lot of re-vamping, I am sure, that has to be done in that agency, but I think, all in all, he has made a very, very promising start.

CONGRESSMAN FORD: I would certainly like to supplement or endorse fully what the Senator said about Don Rumsfeld. We miss him up in the House, but I don't envy his job. I am confident he will do a first-class job and we will try to get a first-class extension of the poverty program through the House.

We may have to have a 90-day continuing resolution because I doubt if we can get the bill for a two-year extension through both the House and the Senate by June 30. I think there is a great deal of renewed of additional faith in the program because of Don's first-class job as the new administrator.

SENATOR DIRKSEN: One other thing was alluded to -and I say alluded, not discussed, because I brought it up.
The Majority Leader is interested in following the supplemental appropriation bill with Senate Resolution 85, which is
a sense of the Senate resolution dealing with the so-called subject of national commitments.

I have done some work on it. I have conferred at length at the State Department and with staffers and others and today when we have our policy luncheon I will take some time to discuss it because I think there is a residue of mischief in that resolution that has to be brought to the attention of the members.

So, this will be rather preliminary today and then, when we get to the Floor, if it is called up, and I fancy it will be, then, of course, there will be a full discussion.

Q Congressman, considering the importance of the tax bill which you outlined to us earlier, could you profile for us the President's attitude on suggesting that an interim extension be granted rather than the one he has asked for?

CONGRESSMAN FORD: The President feels there should be no compromise beyond the three-pronged bill that we proposed. He is very, very, deeply concerned about any temporary extension. I think the Secretary of the Treasury feels, and he is joined by all others who know the facts that a temporary extension or a limited extension would just add fire to the situation now in the area of inflation.

We have got to get the bill through by June 30th if we possibly can in order to meet the challenge of inflation at home and the economic consequences world-wide.

Q Did you tell the President you were absolutely certain that you could get that bill through by June 30th?

CONGRESSMAN FORD: I said that we can get a bill through the House of Representatives and will get an overwhelming Republican support, and I hope it will come up in the House next week so that we can get it over to the other Body in time for them to pass it by June 30th.

Q Congressman, just to avoid any confusion, I am sure it is not just semantics, you said "a" bill and we are asking about "the" bill, the one that has been proposed by the President. You say there can't be any further compromise. Have you assured him that you can get his program as it is outlined now through the Congress?

CONGRESSMAN FORD: If the Committee on Ways and Means, which is controlled by the Democrats 15 to 10, reports out the President's bill, we can get it through the House of Representatives. There will be all ten Republicans voting for the bill that was agreed on between the Democratic Leadership and the Republican Leadership and if there is any compromise it will come from the other side.

We think the agreed-upon proposal between the Democratic and the Republican Leadership is the bill that ought to pass the Congress and if it gets out of the Committee there will be votes in the House.

Then you are not sure of your voting strength in that Committee. You have an agreement with the Leadership and an understanding but not a count of votes?

CONGRESSMAN FORD: I am firm on what the ten
Republicans will do. I just hope we can get a sufficient number of Democrats so that the bill agreed upon by the Leadership will be approved by the Committee so we can get it on the floor and get it over to the other Body.

THE PRESS: Thank you.

END AT 10:55 A.M. EDT

Q Congressmen, considering the importance of the tax

all others who know the facts that a temporary extension or a

cerbwin that you could get that bill through by June 30th?

hers FOR IMMEDIATE RELEASE JUNE 24, 1969 OFFICE OF THE WHITE HOUSE PRESS SECRETARY THE WHITE HOUSE Pls send to MR. FORI PRESS CONFERENCE SENATOR EVERETT M. DIRKSEN CONGRESSMAN GERALD R. FORD THE ROOSEVELT ROOM AT 9:50 A.M. CONGRESSMAN FORD: Good morning The principal matter that was discussed this morning was the situation involving the surtax in the House of Representatives and also the prospects in the Senate. The Committee on Ways and Means' Chairman and the ranking Republican are going before the Committee on Rules this morning and asking for a closed rule. The prospects are that a closed rule will be granted and that the matter will come before the House tomorrow, probably with an allocation of four hours general debate and then a vote up or down. I am confident that the House of Representatives will pass the surtax. We will have 130 or more Republicans. I am confident that with the cooperation of the Democratic leadership, the Speaker, the Democratic Majority Leader and Majority Whip, there will be more than enough votes to put the surtax through as recommended by the Committee on Ways and Means.

SENATOR DIRKSEN: We discussed the surtax prospects in the Senate, likewise. It is a rather singular thing, but it has been discussed so little, either around the luncheon table in the private dining room or in the cloak rooms, and I presume it will not be discussed very much until the House takes action.

But I feel reasonably confident that there will be a pretty good vote in the House that will have a decided impact on the Senate.

I believe, also, that the inflation issue is having a real psychological impact in the country and that is going to help the cause very materially. So we will get after the problem as soon as the House has acted on it and I am pretty confident that Senator Long will convene the Finance Committee and then we will see where we will go from there. It hardly needs very much attention. I would suggest that one day's hearing would almost be enough and thereafter the Committee could vote.

I thought maybe you might want a little rundown, generally, on what we have in the House. Today we are going to take up the Otepka nomination. Insofar as I know, the only speech that will be made on the subject will be Senator Young of Ohio.

We will also take up a resolution to expand the authorization for the Food Stamp Program. It is non-controversial. It should offer no difficulty.

There may be one or two other things and then we will get back on Senate Resolution 85 introduced by Senator Fulbright and passed by the Foreign Relations Committee. There will be a substitute for it and insofar as I can tell at the moment that may be introduced by Senator Dodd and Senator Mundt, both of whom are on the Foreign Relations Committee. We have had some sessions on the matter. I have discussed it with Senator Sparkman on the telephone, since he was in Alabama. I discussed it with Senator Cooper. And we discussed it in our Policy Committee last Tuesday. So this is the fruit of those efforts and that language will be offered and, in my judgment, it, of course, is decidedly better.

I made the point on the Senate Floor yesterday that obviously the President must be opposed to a resolution of this kind, regardless of the text that you undertake to prepare, largely because it would almost look as if he were sustaining an impairment of his Constitutional powers if he undertook to be for it. That, obviously, he cannot do.

Probably one other point needs attention. The danger always in a resolution of this kind, whether Senate Resolution 85 or a substitute, that it is so easy in all areas of the world where they don't know too much about the niceties and balances of Government in our Constitutional system, that it could be misinterpreted and it could be misinterpreted at home. But it offers something of a problem for every Member of the Senate in the sense that if you try to put it on the grounds of him embracing his responsibilities in the field of foreign policy as a Senator and then somehow reject the whole idea, that is a rather difficult thing to defend. That was my principal interest in the matter.

Q Other than the matter of surtax, what else was discussed this morning with the Leadership and the President?

CONGRESSMAN FORD: We had a very broad review of the legislative agenda this week and those that are in prospect in the future as far as the House was concerned and much the same as far as the Senate.

 ${\tt Q} {\tt Did}$ you discuss the appointment of an Assistant Secretary of HEW?

SENATOR DIRKSEN: No.

Q Senator, would you oppose Dr. John Knowles?

SENATOR DIRKSEN: Well, now, I said weeks ago that I am not disposed to discuss the matter. I said at an informal press conference on the Senate Floor yesterday, in response to all the questions, that I do not discuss it, period. That is it.

Q Senator, on the surtax, how soon do you think it will come to a vote in the Senate? SENATOR DIRKSEN: That I can't say. You have to adopt a rule. Then they have to act on the bill. There may be four hours on the rule, I should say. I hope we don't take too much time in the Senate Finance Committee.

Once it is reported, of course, you can give it a clear course and get action on the Floor without undue delay.

Q Senator, what is the outlook on the ABM?

SENATOR DIRKSEN: Well, of course, I am very hopeful about the ABM. I think, as you look, of course, at the polls that have been taken among the public and how they feel, that that is beginning to have its impact here. I have no doubt that when the time comes we, of course, will certainly be topside. The question now is how soon can you get to it. That involves the Agricultural Appropriations Bill. It was marked up yesterday and the Full Committee will mark up tomorrow.

Now, some Members don't want it to come up before the 4th of July because they will be out of town. So it offers a bit of a problem.

On the other hand, to devote too much time to it after we return on July 7th would not be quite the thing to do in the sense that one of the Senators -- and perhaps I had better not mention his name -- had planned to go out to Kwajalein and they talked him out of it on the ground that this ABM matter might come up immediately after we returned from the July recess.

CONGRESSMAN FORD: On the ABM, I think it is rather interesting that the authorization bill for the Atomic Energy Commission is scheduled for consideration on the Floor of the House today. It was scheduled for yesterday, but was deferred because of Congressman Bates' death. But in this authorization bill for the Atomic Energy Commission, there is approximately \$130-some million related to the ABM. It is almost unbelievable, but the opponents of the ABM will not rise up and challenge this authorization in the House of Representatives.

We would rather welcome their bringing the issue up on the Floor of the House, but they seem most reluctant, which is an indication to me that they know that the ABM, as recommended by the President, will be overwhelmingly approved in the House of Representatives. I guess they would rather take their chances in the Senate, but I think they will be beaten there, too.

Q Have you been informed of any delay in the Administration's welfare proposals?

SENATOR DIRKSEN: No.

CONGRESSMAN FORD: I know of no delay.

 $\ensuremath{\mathtt{Q}}$ Did you discuss any upcoming messages this morning?

SENATOR DIRKSEN: No.

Senator Dirksen, do you see any substantial possibility that the surtax will be completed by the Senate by June 30th?

SENATOR DIRKSEN: That is rather doubtful, I must confess.

Then in the event that it were not completed, how will the matter be disposed of?

SENATOR DIRKSEN: We will have to be thinking in the general domain of some continuing resolutions.

Jerry, since the Senator's lips are sealed on the Knowles matter, can you tell us whether or not the matter was discussed this morning?

CONGRESSMAN FORD: The matter was not discussed this morning in the meeting with the President.

This morning the President went on a helicopter tour of the Washington area. Were the traffic problems of the Washington area discussed and did the President have any comments?

CONGRESSMAN FORD: After the meeting broke up, the President talked about his trip by helicopter. I think an effort is going to be made by Secretary of Transportation Volpe to try and break the logjam. He has been working on it and I think he is going to pursue these efforts more in the next day or two.

I hope we can end up with a coordinated freeway and subway system. This is the kind of solution that is needed to meet the ever-growing traffic problems in the metropolitan area of the District of Columbia.

Did you get into Vietnam at all?

CONGRESSMAN FORD: None whatsoever.

Was there any report on when the Administration will come up with its Voting Rights proposal?

CONGRESSMAN FORD: That matter was not discussed.

AT 10:02 A.M. EDT END

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFFRENCE
OF
SENATOR EVERETT M. DIRKSEN
AND
CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 9:53 A.M. EDT

CONGRESSMAN FORD: Good morning.

The principal subject this morning at the meeting with the President involved a report on the action in the House and the prospects for subsequent legislation in the House and also the same as far as the Senate is concerned.

I would just like to make one observation about what took place on the House Floor yesterday. I think the victory, narrow as it was, 210 to 205, shows what a combined effort on the part of the President, the Democratic leaders in the House, the Republican leaders in the House, can do to achieve victory for the American people on those issues that are very, very important to the stability and strength of the country, such as inflation.

Without the total combined effort of the President, the Democratic leadership, and those of us on our side, that victory could not have been achieved yesterday.

SENATOR DIRKSEN: We had nothing specific on the agenda this morning. It was just a run-down on both Senate and House affairs. We have finished the Treasury-Post Office Appropriation Bill. We have set the Agricultural Appropriation Bill. It will be debated for the next two days and then it gets one extra day after we return from the July recess.

After that, we take up the Military Procurement Bill and that, of course, includes the ABM authorization.

In the Finance Committee, they are having a review of the abuses in Medicare and Medicaid. Sometime later, they will set hearings on the so-called Surtax. Those will probably run for a little while, but we have only until the end of July in order to get that job done.

I introduced the Voting Rights Bill yesterday. It was by consent referred to the Senate Judiciary Committee. I think, in the main, it is a good bill and we ought to get some early action on it, although actually the Voting Rights Act of '65 does not expire until in late 1970.

So, we will still have time for both the House and the Senate to work their respective wills on this bill.

I think, generally speaking, that is about the sum total of what we discussed this morning.

Senator Margaret Smith did make a report on the ABM and the general discussion in the committee, the vote that took place and the proposals for anything that may come up on the Floor.

Q Since Senator Smith voted against the ABM in committee, what was the nature of her report?

SENATOR DIRKSEN: Just generally a narrative report as to the discussion and how it was handled by Senator Stennis. Of course, they saved ABM until the last minute. They disposed of the testimony and the mark-up on everything else in the bill until they got to that. That was the last item.

And, obviously, the members were pretty well on record as how they felt and that accounted for the ten to seven vote.

Q Does that ten to seven vote, Senator, look to you like it is encouraging for passage or surprisingly hard?

SENATOR DIRKSEN: No, it is encouraging.

Q Do you have a count?

SENATOR DIRKSEN: We do.

Q What is it?

SENATOR DIRKSEN: As the lawyers would say, my friend, that is a leading question.

Q It is for passage or what?

SENATOR DIRKSEN: Oh, of course. I never think in terms of other than achievement, accomplishment, consummation and glory.

Q On the surcharge in the Senate, apparently there is considerable resistance there.

SENATOR DIRKSEN: Well, we always have our troubles, whether it is surcharge or nearly anything else. But always and always, I have found, as you so well know, that the oil can is mightier than the sword.

THE PRESS: Thank you.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 9:55 A.M. EDT

MR. ZIEGLER: Senator Dirksen had to go to the Hill, to the Senate Finance Committee, where Secretary Kennedy is testifying this morning on the surtax bill, so Congressman Ford will give you a report on the meeting.

CONGRESSMAN FORD: Thank you very much, Ron.

Good morning. As Mr. Ziegler has indicated, Senator Dirksen was here but had to go up to the hearing in the Senate Finance Committee, where Secretary of the Treasury Kennedy is testifying.

Before the Senator left there was a fairly broad discussion of the urgency of the enactment of the surtax legislation as it passed the House with the two very important tax reform provisions in it; one, the repeal of the investment tax credit, and secondly, the recommendation of the White House for the low income allowance provision.

It was pointed out that there may be an effort on the part of some to delay the consideration of the surtax package that was passed by the House and it is the strong feeling of the President and the Administration that those who for one reason or another delay the consideration and the enactment of the surtax are responsible for any of the ill effects that take place in the economy, such as the increase in prices, the problems of inflation and high interest rate.

It seems to the Administration that time is of the essence, that we must act affirmatively as quickly as possible on the surtax, the tax package, if we are to really win the battle against inflation and if we are to do something affirmatively in the area of high interest rates and to furthermore prevent some economic difficulties down the road.

I think all economists agree, from the left to the right, that this legislation is vitally important and the sooner the Congress acts, the more certain we will be in winning the battle against inflation.

We have heard, all of us, some comments about the need and necessity for tax reform. The President sent a message several months ago incorporating some 16 very important proposals for tax reform.

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The President, in a letter to me last Monday, reiterated this Administration's dedication to bona fide tax reform. The Chairman of the Committee on Ways and Means and the ranking Republican member have promised that there would be tax reform legislation out of the Committee on Ways and Means.

I hasten to add that this is the first Administration in some 20 years I have been here, that the White House has openly and specifically endorsed real tax reform. So the prospects of tax reform are bright, but they should not be mixed with the surtax proposal that is needed and necessary for our battle against inflation.

The meeting also included a discussion of the message which is already distributed, I understand, on unemployment insurance proposals of the White House.

Furthermore, the Attorney General is now discussing with the Leadership the message and the recommendations of the Administration in reference to drugs and narcotics. The need and necessity for this legislation is, I think, evident. We read almost daily of serious consequences resulting from the increase in drug traffic, increase in drug use.

The Administration is making specific recommendations. We all know that organized crime ---

Ω When will that come?

CONGRESSMAN FORD: Sometime this week, as I understand it.

Is that correct, the message and recommendations on drugs?

MR. ZIEGLER: Not necessarily this week. There is a possibility it will be this week, but within the coming weeks.

CONGRESSMAN FORD: Frankly, I had to leave the meeting before the Attorney General finished, so I did not get that detail, but I assume sometime this week or in the near future.

Organized crime really thrives on the drug and narcotics traffic. The Federal Government has a major interest. The President himself passed a note to me as the Attorney General was talking with the Members of the Leadership, and the President's note indicates that 58 percent of all crimes in the New York and New Jersey area last year were committed by people somehow connected with drugs and narcotics.

I think this is ample evidence that something has to be done on a much vaster scale than we have been doing in the past.

Those were the major items that were discussed. I will be glad to answer any questions.

Q What program is he proposing for curbing narcotics, generally?

CONGRESSMAN FORD: Again, I had to leave before all the details were developed by the Attorney General. Before I left the Attorney General was talking about a change in the control of distribution. There was to be a proposal involving import controls. There was a proposal that would give some greater flexibility in penalties. There apparently is a tendency on the part of courts and juries where there is this hard, mandatory, tough sentence to not have as many convictions as you might have if there was a lesser penalty and more flexibility given to the courts.

Q Are you speaking there of easing up on the penalties on marijuana?

CONGRESSMAN FORD: Again, we did not get into the details, or at least I was not there when those details were discussed. But there has been a tendency on the part of juries and the courts themselves where the penalty is hard and inflexible, to not have as many convictions. What we need, I think, is more flexibility in the sentencing where there has been a conviction, and one of the proposals incorporated in this area would involve that area.

Q Earlier you mentioned the need to do something about the high interest rates. At the meeting this morning did you get into Mr. Kennedy's meeting with those bankers, and Mr. Patman's charges with regard to that meeting?

CONGRESSMAN FORD: We did not get into that specific, but we related high interest rates to the surtax proposal. I think it is recognized by everybody if we don't pass the surtax, the probability of higher interest rates is a foregone conclusion. If we pass the surtax proposal, then the probability on the other hand is that interest rates will ease and will go down rather than up.

O Is the Administration prepared to compromise if necessary to get the surtax through the Senate?

CONGRESSMAN FORD: The Administration feels that we must pass the surtax now, and that as long as the Administration is categorically on record by a message and by a letter for tax reform, there is no need and necessity to combine the two.

 Ω Mr. Ford, will you accept the additional tax reform proposals tied to the surtax?

CONGRESSMAN FORD: The Administration is against additional tax reform proposals at the present time. They are committed for tax reform at a later date during this Session of the Congress. It seems that the House bill is the best vehicle.

Q Suppose somebody in the Senate comes up with enough strength to insist on some additional tax reform?

CONGRESSMAN FORD: Well, of course, the Senate will work its will, and the conference between the House and Senate will try to compromise whatever is included in the Senate version in the House version, but the Administration feels very

strongly that the closer the bill can be to the House version the better, and time is of the essence.

 Ω Was there any discussion about the increasing cost of medical expenses in the country and the anticipated announcement on Thursday in regard to that?

CONGRESSMAN FORD: Indirectly there was a discussion of it with regard to the increases in the cost of living in the last year. I think Secretary Shultz said that 60 percent of the increase in the cost of living in the last year related to two principal factors; one, that which you mentioned, and secondly, construction costs. But it was only in reference to the overall, not on a specific point.

Q Was there any discussion about Mr. Nixon's Asian trip or the trip to Romania?

CONGRESSMAN FORD: None whatsoever.

 Ω Mr. Ford, why should there be opposition to accepting some tax reform now with the surcharge?

CONGRESSMAN FORD: It is a matter of delay. If the Senate gets into a long debate, a prolonged discussion of a multitude of reforms at this time, it will inevitably delay the war we are waging against inflation, and as long as there is this firm commitment by the Administration for tax reform during this Session, it doesn't seem necessary to have tax reform attached to the surtax bill.

O Congressman, is it true that the House will not vote this year on the President's draft proposal?

CONGRESSMAN FORD: The House Committee on Armed Services, I hope, will consider the President's draft changes, recommendations for revision in the selective service, as soon as they get through the necessary military procurement authorization bill. I would hope that the House would have such a chance in 1969.

Q Was anything said about revenue sharing?

CONGRESSMAN FORD: Not this morning, no.

Q Was anything said about the lull in military activity in Vietnam?

 ${\tt CONGRESSMAN\ FORD:}$ There was no discussion of that this morning.

THE PRESS: Thank you.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
SENATOR EVERETT M. DIFKSEN
AND
CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 10:25 A.M. EDT

SENATOR DIRKSEN: I am glad to see everybody is in good form this morning.

We had a very long and interesting discussion. Obviously, it had to begin with this question of taxation. We spent at least an hour and a half, and maybe more, on the Senate Floor yesterday to unconfuse and to clarify and at the long end of that discussion, I am not at all sure whether it was clarified or not. Probably there will be further clarification as we go on.

But there is one point that I would like to accent and if it is humanly possible, we shall have to drive for the surtax and those other things that may be necessary.

I will have a series of conferences on the Hill today and then see where we go and probably have some kind of an expanded statement to make, but for the moment, I shall content myself by simply saying to the group that this is the Number One order of business and we have to get this consummated, if at all possible, before the recess begins on the 13th of August. So I am going to devote a major share of my time to that very business.

CONGRESSMAN FORD: The other listed item in the discussion this morning was a prospective message that will come up probably this week, but if not, early next week, on the population crisis. It will have two basic parts:

One, there will be an emphasis on pushing more rapidly in the United Nations for a Commission on Population, and action in the United Nations in that regard, and secondly, the establishment of a Commission on Population Growth within the United States.

This is a very important message. The President gives it high priority and as I said, it will probably be coming up this week or the first part of next week.

SENATOR DIRKSEN: There was an allusion, of course, to the ABM debate that is presently occupying the attention of the Senate. It is problematical how long this will run and when we will get around to a vote on the first amendment that may be offered. But I can foresee that this might run for quite a considerable period and that may be the order of business for quite awhile. The position is identical with what it was before.

Q How do you propose to change the Majority Leader's mind on combining the tax reform with the surtax?

SENATOR DIRKSEN: Yesterday, Peter, you may recall that he said he would call up the so-called surtax, which could be singularly or a package deal, if there was a meaningful reform bill on the calendar at the same time.

Now we have adopted a procedure in the Senate Finance Committee under which everybody has been urged to get his amendatory reform matters in bill shape so that it can be incorporated in a committee print. That will be the predicate for the balance of the hearings.

The hearings are already becoming slightly repetitious and I doubt whether they will have to run very long. I say that because in my book it is entirely possible that we can have a package deal with the surtax and possibly the investment tax credit on the calendar and also have a reform bill on the calendar.

But I must say that failure to get the meaningful reform bill on the calendar can obviously not deter us from making a drive for the surtax.

Q How do you define "meaningful"?

SENATOR DIRKSEN: I don't define it. You define it for me.

CONGRESSMAN FORD: I might add, in reference to reform, all of you are fully cognizant of the really meaningful reform bill that is being worked on and I think will be reported by the House Committee on Ways and Means, certainly by the time we recess in August. This is going to be a strong reform bill and it conforms with the recommendations of the President and the commitments of the Chairman and the ranking Republican on that committee.

So there is no violation of the good faith agreement that was made on the Floor of the House that we are going to have reform legislation in the tax field early in this next month or the following. Certainly with this commitment on the House side there should not be any question about affirmative action on the Senate side.

SENATOR DIREKSEN: Peter, I didn't mean to be facetious.

Q I thought you did.

SENATOR DIRKSEN: No, let me explain. There is a Senator, for instance, who has already lobbed a bill into hopper to be put in this package, and dealing with excess profits. Actually I don't know that this is in the field of tax reform as such. There are four or five amendments sprouting around dealing with Social Security, modifying benefits, and that, in turn, requires modifying the base and modifying the tax.

In my lexicon that is not exactly tax reform, so when I say meaningful, I don't quite know what they embrace in that term. It was very honestly said.

Q Mr. Ford, if the House bill is not going to be ready until you go out in August, then doesn't the Senate bill have to wait on the House bill?

CONGRESSMAN FORD: According to the Constitution, of course, a tax bill has to originate in the House. But I think the amendments the Senator may be talking about could be attached to the surtax bill that has some tax reform in it when it gets on the Senate Floor. That is a possibility. But under no circumstances should this problem of reform deter affirmative action, and I don't think it will in the final analysis in the enactment of the surtax legislation.

SENATOR DIRKSEN: Sarah, we have one tax bill on the calendar and others in the committee. Those we can amend in any form we desire, so, of course, that can be done, and we do have considerable parlimentary latitude in that field.

Q Senator, are you concerned when Congress goes into recess and Senators go back into their home States for a period, that they will run into popular opposition to the surtax, and therefore make it more difficult for you if there is a delay?

SENATOR DIRKSEN: They probably will run into a better climate than we anticipate, because inflation is really getting in its licks on people, and we are beginning to hear about it in a big way. Besides, your editors are now coming out with the strongest kind of editorials that this inflation has got to be licked and it starts with this surtax.

Q Did you discuss the Asian trip or how critics help Hanoi?

SENATOR DIRKSEN: No, we did not.

Q You said you were going to have a series of conferences today. Would you tell us who you will be meeting with?

SENATOR DIRKSEN: I prefer not to, if you don't mind, because I never try consciously to telegraph a punch.

Q What do you think is going to happen when the vote comes on the ABM?

SENATOR DIRKSEN: I am confident we are going to prevail.

Q Other than the surtax, the AMB and the population control message, were there any other items taken up this morning?

SENATOR DIRKSEN: Those were the items principally and there was a lot of discussion pro and con on all of them.

Senator, there has been considerable talk that a compromise might be necessary on the ABM and it is being considered in the Administration. Do you see any need for compromise to get a favorable vote?

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SENATOR DIRKSEN: I just say perish the thought. There is no compromise.

CONGRESSMAN FORD: Certainly there is no need for a compromise on the House side. The President's program will be approved in the House and there will not be any deviation from it. As far as I understand it, the President is very firm that there will be no compromise on the program he submits.

Q Senator Dirksen, do you have a count on the ABM now?

SENATOR DIRKSEN: If I did, it would have to remain undisclosed.

Q Can you tell us whether or not the count you have, Senator, is the father of your confidence?

SENATOR DIRKSEN: I think when I said we shall prevail, you remember the old song, "We Shall Overcome."

 $\ensuremath{\mathbb{Q}}$ $\ensuremath{\,\,\,}$ Did you have any disclosures about the welfare message?

SENATOR DIRKSEN: No.

O Senator Dirksen, since the vote on the ABM, whatever the figure is, is so very close, can you tell us what basically bothers those who are in disagreement with you and those who are with you? Basically what bothers them?

SENATOR DIRKSEN: You know what the makeup of a Senator is when he has come here and sat at the feet of the gods and absorbed the tradition of the Senate and become familiar with his prerogatives, and when the news starts working, obviously he comes to conclusions and he develops convictions of his own. So I am on one side, somebody else is on the other, but that has been the very nature of free parlimentary government. These different points of view come together and we always hope that the best point of view will prevail.

Q Senator, would you want me to repeat my question? (Laughter.)

SENATOR DIRKSEN: You repeat it for me.

Q With all due respect, I was wondering truly whether you could tell us, is there any one point that bothers those in disagreement with you on the ABM?

SENATOR DIRKSEN: Well, the first point of view is that here is a request from the Commander in Chief for what we might describe as an defensive weapon. The opposition might be set down into three different categories: Those who believe that this is not the time to give it to him, those who believe that they will give him part of a package that doesn't involve the weapon, and those who are willing to give him some components, but nothing more.

It is an honest point of view, but we believe when the Commander in Chief, who is the Commander in Chief, under the Constitution, of the Army and the Navy of the United States that is the language of the document — makes this request, he has the prime responsibility for the security of this country, and unless you can make a good case against him, we ought to give special heed to his request, because, one, it would have to be fortified and is fortified by the National Security Council; secondly, it is fortified by the best military advice he can get; and third, it is fortified by the best scientific advice that he can get in Government.

THE PRESS: Thank you, gentlemen.

END

(AT 10:37 A.M. EDT.)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
SENATOR HUGH SCOTT
AND
CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 10:35 A.M. EDT.

CONGRESSMAN FORD: Those of us who come from Michigan are accustomed to an announcement, usually in the Fall, of a new model announcement, and particularly if you have the name Ford, that is more or less traditional.

It is my pleasure to introduce a man to you that all of you know and have known for a good many years, my new partner in the Republican Leadership, Hugh Scott.

SENATOR SCOTT: Thank you very much, Jerry. I wish it were a more streamlined model.

I would like to say at the beginning that I really do look forward to this inquisition period, having lived through somewhat similar periods.

On one point this morning, the President has made a statement indicating that since it is the will of the House of Representatives, and since he has had additional information, that he intends to support the Constitutional amendment providing for the direct election of the President and Vice President.

In the Senate Judiciary Committee, the subcommittee originally recommended the district plan, which I supported from the subcommittee to the full committee. It is probable I will still vote that way in the full committee. It is even more probable that the full committee will report out the direct election plan.

I have said that I am in favor of any plan on which the Congress can agree, and if they do so report it out, I will support the direct election plan.

I have never spoken against it other than to say that I thought the district plan had a somewhat better chance of approval by the States. We now find, especially from some surveys made by Senator Griffin, that only a couple of States seem to be disposed against the direct election plan.

CONGRESSMAN FORD: It was noted by the President this morning that he signed, I think yesterday, the first appropriations bill for fiscal year 1970, which is about two months later than the beginning of the fiscal year.

It is my best recollection that this is the latest date that the first appropriation bill has been put on the President's desk for his signature. I think this is an indication that the Congress is not moving as fast, not only in appropriation bills, but in all legislation, as the Congress should. We hope and trust that in the remaining weeks, or perhaps months, of this Congress that there will be more action on the various legislative programs. that the President has sent to the Congress.

I trust they will, and if they do act more promptly and more effectively, then I think the President, in the area of crime, in the area of fighting inflation, will have a lot more tools to do the job.

We also discussed, as I suspect you might have thought, the situation involving Vietnam. It was the view of the President, it was the unanimous view of the Republican Leadership, and I think we reflect the overwhelming majority of the American people, that there must be action on the peace front, and there must not be capitulation or "bug-out" in our conflict in Vietnam.

It was the feeling that the President's program of working in Paris for meaningful negotiations and at the same time, in the long run, seeking the replacement of American troops by Vietnamese forces, that we were on the right track for peace, and that those who wanted to set a deadline five, 18 or 20 months from now for a withdrawal, were, in effect, undermining the peace negotiations in Paris and directly prolonging the war.

The Administration believes that the quickest way to end the fighting, to end the casualties, is to have flexibility and to convince the enemy that the American people are unified for action at the peace table and for action in ending the war.

The various resolutions that have been suggested, in effect, close the door to peace until December 1, 1970, or later. The Administration, those of us in the Congress on the Republican side, want quicker action, not delayed action.

SENATOR SCOTT: The Administration is on a peace course. The American people and the Congress clearly, in our judgment, oppose these cut and run or "bug-out" resolutions. We believe that that will, in time, become very clear as public sentiment expresses itself.

In regard to the October 15 demonstrations, I would suggest that those people who want to demonstrate ought to demonstrate against Hanoi. This Administration has brought about changes. Instead of gradualism upward, we have something better than gradualism downward, not only in the de-escalation through troop replacements, the de-escalation of draft calls, laying a solid May 14 peace proposal on the negotiating table, meeting the problem of a new government in Hanoi; but during all of this time, very few of these volunteer advice givers, who will gather on the 15th of October, seem to have thought of the fact that it is Hanoi which is inflexible and not the U.S. It is Hanoi which has made no visible moves and not the U.S.

I would suggest that Americans demonstrate against the real adversary, which is the government of Hanoi, and not the Government at Washington.

Q Senator Scott, yesterday I believe you introduced or spoke out against these resolutions on the basis that you would like a 60-day moratorium, shall we say?

SENATOR SCOTT: Yes.

Q Do you have any reason to believe that in 60 days from now there will be a speed up in the pace of the peace efforts on the part of the Administration?

SENATOR SCOTT: Senator Griffin and I were discussing this before I made that statement and after. We are both of the opinion that we should select some rather arbitrary period, since people have been talking dates for withdrawal and since once you set a date, you might as well call the negotiators home if you believe that way, and rather than think in terms of a remote 15 months date for the withdrawal of troops, which meanwhile handcuffs our negotiators, we suggested a shorter period of time as a proposed "quiet period" for a united front, a demonstration to Hanoi on the part of Americans.

I think perhaps a withholding of so much volunteer expression might be a small contribution which each of us can make to peace.

Q What about at the end of that period, are we going to expect to see you support the resolution by Senator Goodell, for example, if no progress has been made?

SENATOR SCOTT: No, you will not see me supporting any resolutions which second guess the responsibility of the Government at Washington and of the President.

What I am saying is that at the end of 60 days, let's take another look at it, but at least let the President have an opportunity to find out from the new government at Hanoi whether there are some chances for reciprocal responses.

Q Senator, in your reference a moment ago, are you saying, in effect, that if a peace has not been achieved by, say, the end of 1970, we may as well bring the negotiators home from Paris?

SENATOR SCOTT: No, I am saying that if we were to take seriously the various troop withdrawal resolutions fixing a remote date like 15 months from now, that is equivalent to their saying that there is no point in having the negotiators in Paris, and why not bring them home now, because if you say we are definitely going to withdraw troops in December of 1970, Hanoi is immediately going to do nothing at the peace talks, continue their aggressiveness, and this undercuts the negotiators and no purpose is served in having them there should such a resolution pass.

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Q Senator Scott, I noticed the advertisement calling for the October 15 demonstration was signed by two Republican Senators, among others. What do you propose to do about it?

SENATOR SCOTT: I propose to make my own views clear, which I am trying to do here. I am not quarreling with individual Senators. I am just expressing the same right to an opinion as they are expressing.

Q Senator, Congressman Ford -- both of you -- we have been told that the Administration has a ceiling beyond which they will not go as far as troop reductions if there is no response from the other side.

Does the President, as far as you know, have any time in mind beyond which he will not go as far as perpetuating the war or allowing this war to continue?

CONGRESSMAN FORD: I know of no ceiling below which the Administration will not go, regardless of the negotiations in Paris. The amount and the timing of our troop withdrawals in Vietnam depend on other factors, such as the capability militarily, of the South Vietnamese forces to take over and do the job in a replacement way, and the continuing decline of infiltration which, I understand, is now somewhere between one-third and two-thirds lower than it was before.

Those are the factors that I think will determine whether we add to the withdrawal that has already been started. They can continue, and I trust will continue, regardless of the activity in Paris.

Q Was any assessment made of the lower level of fighting that has been going on in Vietnam for the past month or so?

CONGRESSMAN FORD: There was no specific discussion of it this morning, although by inference it was brought up because of the lower infiltration rate, the overall reduction in what the enemy was doing. This is encouraging.

On the other hand, the adamant, anti-peace efforts of the enemy in Paris was discouraging. The new government in Hanoi apparently is taking a hard, hard line.

What we have to do is to convince them, as the President has been trying to do for the last eight months, that we are willing to negotiate. They are the enemies of peace, those in Hanoi at the present time, and apparently at least for the time being, are more adamant than Ho Chi Minh was.

Q On another subject, were the President's social security proposals discussed, and the second point, do either of you think that Congress can be held to the ten percent increase which he proposed?

CONGRESSMAN FORD: First, the matter of social security was not discussed this morning. I would hesitate to say what the Congress will do on social security as to the amount until it had some hearings and we get a better reading on it.

Q Senator Scott, on the electoral reform, what do you think of the prospects of the Senate carrying the Administration's proposal?

SENATOR SCOTT: I think in the light of Presidential support, the prospects are pretty good for passage by the Senate. I have become more optimistic of its chances of passage by the necessary three-fourths of the States.

Q Do you think it would be done in time for the 1972 elections, when President Nixon might be expected to run again?

SENATOR SCOTT: I should think we could. There is no guarantee of that time element being met, but I suppose we could.

CONGRESSMAN FORD: I think it is feasible, but the odds are no better than 50-50. If the Senate should act before we adjourn this year, and then it is available to the respective States early in 1971, I think it might be done, but I would not be gambling any more than 50-50 that it would take place.

SENATOR SCOTT: The normal progression of the ratification of a Constitutional amendment is usually longer than one year, so the odds, I think, would be against it.

Q Both of you used the term "bug out", and I think Senator Scott said "cut and run," to describe these resolutions.

SENATOR SCOTT: I originated the cut-and-run phrase around Washington. (Laughter.)

Q Does the President share your characterization of those resolutions?

SENATOR SCOTT: Yes, sir.

CONGRESSMAN FORD: I can say affirmatively, to second what Senator Scott said, that the President does feel very strongly that these resolutions which inevitably prolong the war and then lead to a bug-out are not in the best interest of the United States at this time.

Q Senator, are you saying then that everybody who backs the October 15 demonstrations would be in favor of the bug-out solution?

SENATOR SCOTT: In the first place, I don't know who they are; I don't know how many there will be. I don't think many will know why they are gathering in the first place, and those who do are bound to disagree and will develop into all sorts of factions from the extreme-like left to any other area not presently occupied.

CONGRESSMAN FORD: I would say that there was no statement by Senator Scott or myself that those who signed that petition and those newspaper adds are saying what you allegedly said.

What Senator Scott has said and I reiterate, is that those who are demonstrating on October 15 could achieve much more, accomplish a great deal more, if they would direct their pleas to the new regime in Hanoi and also to the Soviet Union, the Kremlin in Russia.

Q Do you really think the regime in Hanoi would be affected by that?

CONGRESSMAN FORD: Yes, I think it would, and this is quite interesting. In the last eight months, because of President Nixon's changing the atmosphere so that we have made a specific program in Paris for peace — I think it was May 15 — world opinion is on our side in this overall situation, and if Americans on October 15 would direct their attack at Hanoi and would plead to Hanoi for action at the peace table, I think it would, in addition, further world atmosphere on our side and against them.

Congressman Ford, do you think in this same eight months that American opinion as opposed to opinion in other countries, has shifted toward the Administration's views?

CONGRESSMAN FORD: My impression from various questionnaires that I have seen on the Hill and all over is that the American people, when they look at the results, which is a withdrawal of American forces instead of an escalation of the commitment of American forces, the drop in American casualties compared to any previous period in the last two years, as a consequence of the results, are favorable to the policies of President Nixon.

On the other hand, they would be very much opposed to a continuation of the policies of the previous Administration which was an escalation of commitment, an escalation of casualties.

Q Senator Scott, on this 60-day period, the answer you gave about an arbitrary date produced an image of the President's political friends asking for more time and trying to extend what is left of a possible honeymoon for the President; this buying time to save him the embarrassment of dissent -- I think the question I am aiming at is on picking this date of 60 days, is it based on something the President told you?

Does he expect to know something in 60 days? Is 60 days a period of a test?

SENATOR SCOTT: Your question editorializes a little. I would say that my other answer is still mature, ten minutes later, and that is that the suggestion comes from Senator Griffin and myself. It is not a request of the President. It is a thought which we share and we believe many share, that perhaps people ought to show a little more discipline in recognizing that the President has the toughest job in the world, an inherited one, and that during that 60-day period we earnestly hope that conditions may change which would permit the kind of report at the end of that time which would justify this suggested quiet period.

We believe that at peace talks in Paris, Hanoi is attempting to and probably does cite divisiveness in America as the reason why the American negotiators are not to be respected or listened to in specific instances.

We would like to deprive Hanoi of the opportunity of citing American divisiveness as an argument as to why they should do nothing. This was the proposal.

I know the press are quite convinced that this came from the President, but actually it did not.

Q Well, are you suggesting, or is this sort of an oblique suggestion or plea or request that these October 15 demonstrations as now structured not be held?

SENATOR SCOTT: No, indeed. I believe in absolute free dissent. I believe in the right of people to express their own views, and that is why I am expressing mine. That is why I am saying to other Americans, it would be nice, it would be helpful, it could even be considered a recognition of the fact that the Americans are trying to end the war, and you might want to help them a little, if you watch what you say.

On the other hand, I would defend to the death the right of every man and woman in this country to be foolish if they wish, or to disagree in all events if they insist. I would express a hope that they would give us some breathing period.

Q Are you saying that after 60 days, it would be all right if things do not change?

SENATOR SCOTT: No, I am saying after 60 days, let's take another look at it. This war has been going on for about six years, and at the end of 60 days, let's look and see if other developments indicate that this Administration has made progress on the road to peace.

Q Are you calling for a counter-demonstration on October 15?

SENATOR SCOTT: No, I am simply saying that whatever demonstrations there are ought to be at least in the framework of not making the job of achieving peace more difficult.

THE PRESS: Thank you.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
SENATOR HUGH SCOTT
AND
CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 10:45 A.M. EDT

CONGRESSMAN FORD: Good morning.

There were two major matters discussed at the Leadership Meeting with the President this morning. I will discuss the one and Senator Scott will discuss the second.

Secretary Laird was at the meeting and re-emphasized the absolute need and necessity for Congressional action in draft reform.

He pointed out that under existing law a young man is in jeopardy, he is uncertain as to his military future for seven years. And the President has requested of the Congress that action be taken to amend the existing law so that a young man reaching the age of 18 has one year where he knows whether or not he is going to be called to military service.

The President said again and again, and the Republican Leadership agrees with him entirely, that one of the highest, if not the highest, priority items on the Congressional legislative agenda is draft reform. We are going to push to the maximum to get some action in the Congress as soon as possible.

SENATOR SCOTT: The other matter which occupied a considerable amount of time is the fact that the President will on Monday send a message to the Congress to be released on Sunday.

This is in some ways an unprecedented message on the status of legislation, pro and con. It will discuss -- and not in a partisan spirit -- the problems of cities, crime, job training, reform of the draft, and welfare and so forth, and will, of course, make the point that the Congress can always act on these measures and indicate some reasons as to why action is most important and imperative.

I would like to add that this is a reform program of the Administration and we are asking the help of responsible Democrats and Republicans alike, that this is no time for so-called super partisanship.

MORE

We recognize the two-party system and its general operation. But there are 40-some Administration programs pending, all of which have departmental reports attached; over 2,000 reports have been sent up altogether.

This message is likely to point out that the President seems to restructure Federalism through reform of the draft, reform of welfare, revenue sharing, electoral reform, which is the first change there in over 50 years, a D. C. Delegate in Congress which has passed the House, the commission to draft Home Rule provisions for the District, postal reform, the first major devolution of a public program to a corporation, the hunger proposal with adequate diet for all persons, the population message on which other Presidents have talked and this President has acted, the crime bills, and special emphasis on the need to do something about narcotics.

As I have said before, I think this is a most bold and innovative program in many years. And I would add the tax relief and reform proposals which were first submitted by the President, I believe, in April, his peace proposal of May 14 and other measures.

Q Senator, did you discuss Judge Haynsworth and his present status?

SENATOR SCOTT: We did not discuss Judge Haynsworth in this meeting at all.

Q Was there any discussion of Laos?

SENATOR SCOTT: There was no discussion of Laos.

Q Senator, I am not quite clear on what this Sunday message is. Is this a message in which the President is appealing to the Congress to pass all of the programs that he has sent up since he took office?

SENATOR SCOTT: We have not seen the message yet. But I understand that the message will be a summarization in categories of the legislative recommendations he has made, that he will point out the necessity in the public interest for the passage of this legislation, will discuss the relative functions of the Presidency and Congress in this regard, and will strongly urge that the Congress act as soon as possible.

It will not be from his standpoint a message, as I say, on a partisan spirit. Some of us feel that the Congress has been slow. And, speaking for myself, I would define the 51st State of the Union, and it is the state of lethargy, which is overwhelmingly Democratic.

Q Senator, why do you think the Congress has been slow? Has there not been enough push behind the Adminstration's programs? Did they go up later than usual? What are the causes?

SENATOR SCOTT: I think that is the opposition's thesis, which cannot stand up. In the first place, the Administration's proposals were accompanied by the Executive Departmental reports.

So to complain that the reports weren't there doesn't hold water.

If an individual Congressman submits a proposal for the relief of John Smith, there may be a delay in getting the report as it goes through. Individual Congressman at times have not had all of their reports back. But insofar as the Administration is concerned, and with many others as well, there have been over 2,000 reports. So it is not the fault of the Administration that the Congress hasn't acted.

The Congress is suffering not from a lack of material, but from a sort of political indigestion.

Q Senator, something like postal reform, Republican leaders on the House Post Office Committee seem to be among the biggest opponents of the program. What do you do about that?

SENATOR SCOTT: I think I would rather have Congressman Ford handle it since it is in the House.

CONGRESSMAN FORD: I don't think it is a fair accusation to say that the Republican Leadership on the Committee on Post Office and Civil Service are at fault. The ranking Republican, Congressman Corbett of Pennsylvania, has voted to consider the Nixon proposal for postal reform. And I think about 90 percent of the Republicans on that Committee have indicated their support for bona fide, legitimate, progressive postal reform.

We have had some Democratic support, but there are not enough Democrats on the Committee on Post Office and Civil Service who will go along with meaningful postal reform. And the net result is the whole issue of postal reform is on dead center in the House of Representatives.

I believe that the American people, being alerted as they are by Thruston Morton and Larry O'Brien, are going to demand some action. They will point the finger at the Congress if we don't do something in postal reform.

Q Congressman Ford, there was a story in print this morning that the White House and Republican Leaders have agreed on a figure of \$750 million for water pollution under this bill that is coming up soon and are asking Members of the House to support that. Could you tell us whether that is correct?

CONGRESSMAN FORD: The House Committee on Appropriations has approved a figure of \$600 million, which is more money than the Administration has asked for for water pollution.

It is my understanding that the Administration is standing with its budget recommendation, which is the same that was proposed in January by the Johnson Administration, and the Congress, in the House this week, Wednesday or Thursday, will fight it out on whether or not the \$600 million is the right figure.

I understand the Administration will stand by their previous decision.

Q Which is what?

CONGRESSMAN FORD: \$214 million.

Q Congressman, did you discuss this morning the movement in Congress to support the anti-war demonstrations on the other side, and the movement to support the President's program and what effect it might have on his policy?

CONGRESSMAN FORD: We didn't discuss that issue in the Leadership Meeting.

I would make this observation: That some 100-plus Members of the House yesterday endorsed a resolution that had bipartisan support endorsing President Nixon's program to phase out U. S. military personnel and phase in South Vietnamese military personnel in Vietnam.

This bipartisan support of over 100 members, better than 25 percent of the Members of the House, was a backing of President Nixon's withdrawal program.

I might add, as another feature, that when we come to October 15, I would hope that those who are protesting would look at what has been accomplished by this Administration since January 20.

President Nixon is for peace. He has proved it by the de-escalation of our commitment in South Vietnam. He has proved it by his constant efforts in Paris through the eight-point peace plan, which was submitted in May.

I hope and trust that some of these professors will point their finger and indicate their plea toward Hanoi and support the President in his efforts toward achievement of peace.

Q May I ask, Senator Scott, there is a story this morning, Senator, that Administration officials are concerned with suggestions of a possible breakthrough like yours might contribute to an atmosphere of false optimism. Are you concerned about that?

SENATOR SCOTT: No, I am not concerned about false optimism, because I am not encouraging false optimism.

I think that my suggestion of some 60 or 90 days quiet period would indicate that the lessening of devisiveness or partisanship would give us a far better chance to have something happen in the Vietnamese negotiations.

In the demonstrations, I would be glad to offer anybody a hand-made sign saying, "Hurry up, Hanoi," because that is the problem here.

Q Senator Scott, you referred to Congress suffering from political indigestion. Do you think the Administration has sent too many programs up there?

SENATOR SCOTT: We have not had any complaints to that effect from the Congress. But what we have had up there is a more lethargic attitude, that "if it is good, why hurry it, because the Nixon Administration might get credit."

I hope that will be superseded. Not everybody is super partisan on either side of the aisle. That is a relatively small and knotty group. But you can spell knotty either way.

Q Senator Scott, would you say that this is an attempt, this message that the President is sending up, or will be a bad report card on Congress?

SENATOR SCOTT: I wouldn't say that. I think it would be a recognition of his responsibility as the Chief Executive to call to the attention of the Congress and, of course, the Nation, the fact that at his end of the Avenue, he is ready for the legislation and has been in many cases for months.

He is curious -- I won't add any color to that -- that so little has evolved. Parturient montes, nascetur ridiculus mus.

Q What is that?

SENATOR SCOTT: The mountain has labored and given forth a mouse.

CONGRESSMAN FORD: If I might add, Hugh, I haven't seen the message. But as Senator Scott has indicated, the President sent up 40 messages. All or most of them are in bill form and the effect is that there is a specific recommendation to the Congress for legislative action.

When you add up what has been sent up and you look at what has been accomplished, you can't help but come to the conclusion that there has been some foot-dragging, either deliberate or otherwise. And the American people can't help but come to the conclusion that the Administration has been progressive in its advocacy of good programs aimed at reforming the fabric of the American political system with new Federalism, and that the Congress has been dilatory in its action on this legislative program.

Let me just point out one thing. I said it last week and there has been no change. The President has had one appropriations bill for the current fiscal year on his desk for signature. I think this is the poorest record of the consideration of appropriation bills in the history of the relationship between the Executive and the Congress.

Something has to be done affirmatively and the President is going to remind the Congress that he has sent up these messages and he hopes that for the benefit of the country some affirmative action will be taken.

MORE

SENATOR SCOTT: I would like to add there that the Democratic control of Congress has been relaxed in action and rather laxative in political reaction.

Q When do you think the rest of the appropriations bills will be down?

SENATOR SCOTT: Whenever Congress wakes up.

Q Is this the first time that a President has ever sent such a message to Congress?

SENATOR SCOTT: The President regards it as virtually unprecedented in that it is sort of a reminder message rather than a message containing necessarily new material.

Q Senator, I find it strange that the Republican Leadership would not discuss this morning Judge Haynsworth's status. Could you tell us why that wasn't discussed?

SENATOR SCOTT: It is a question better addressed to the President, I think. But I assume that he feels that he has made his position clear and, therefore, there is no need for further discussion.

Q How about a report to him on a head-count in the Senate? Wouldn't that be pertinent?

SENATOR SCOTT: I think you would have to ask the Party Whips for that. I am not making a count.

Q The President didn't want to know this?

SENATOR SCOTT: The President has his own means of communicating with the Congress on these matters. If he has been queried on that, I am sure he has an answer. But he hasn't inquired of me.

Q What is your feeling today, Senator, on the Haynsworth appointment?

SENATOR SCOTT: I have indicated that I think it will be reported out of Committee and that he will be confirmed.

MORE

Q Congressman Ford, you had said that there has been some foot-dragging, you felt, and that the Congress has been dilatory. Have you been discussing this problem with Speaker McCormack regularly?

Have you been asking him to move faster and what has his answer been?

CONGRESSMAN FORD: Of course, the Speaker knows the number of messages that have been sent up. The Democratic chairmen of the respective committees are familiar with bills that have been introduced and are before their various committees.

They are alert to the problem, but when we look at the result, we are disappointed. I hope and trust that before we adjourn the major part of this legislative program, the reform package of the President, will be approved.

All we can say is that when you look at what has been sent and what has been produced, there isn't a great deal of productive results so far.

This is particularly true in draft reform, particularly true in the area of welfare reform, particularly true in postal reform, particularly true in crime reform. You go right down the list and the major reform measures recommended by the President are still in limbo in the Congress.

Something ought to be done about it.

Q Is there a welfare bill operating?

CONGRESSMAN FORD: The welfare bill went up last week.

Q How can you expect Congress to act?

CONGRESSMAN FORD: They have known that it was on the agenda. The bill went up last week and hearings ought to be held, scheduled, and action taken.

Q Some of these items have to start in Ways and Means. Have they been dilatory and foot-dragging in welfare, Social Security?

CONGRESSMAN FORD: They have not acted on welfare. They have not acted on Social Security.

Q They have been busy, though.

CONGRESSMAN FORD: I will just let the record speak for itself.

Q I gather this is to be a written message that is going to be released on Sunday and sent to the Hill on Monday.

SENATOR SCOTT: Yes.

Q Did the President indicate whether he had given any consideration to making this a non-written or televised or other kind of report?

SENATOR SCOTT: He made no reference to that.

CONGRESSMAN FORD: As I understand it, it is a regularly-submitted message to the Congress on Monday.

Q Did the President make any reference to his trade policy in his talks with you or say anything about his trade bill?

CONGRESSMAN FORD: Not this morning.

Q On television, Senator Scott, on Sunday you said, if I am not mistaken, that you sensed movement in Vietnam on the political or the diplomatic or military fronts.

Today, you were merely suggesting that if the country moots its criticism for a period of 60 to 90 days there will be a greater chance of movement.

Are you pulling back slightly from your statement of Sunday? Do you see movement now or only the hope of movement?

SENATOR SCOTT: I see both. I have the hope of movement.

I have the feeling that there will be movement. And I have the caution that I ought not to say any more than that.

Q Senator, did the comments by General Wheeler come up this morning?

SENATOR SCOTT: No.

Q Thinking specifically, he said that the pace of Vietnamization cannot be pushed too far and that American troops are likely to have to remain in Vietnam for some time to come.

Do you believe that this is the Administration's position?

SENATOR SCOTT: I have no way of knowing whether that is the Administration's position or not.

The Secretary of Defense has made it clear many times that the Administration is committed to Vietnamization of the war and the inference is clear that that should occur just as quickly as they are able to take on more and more responsibility.

And President Thieu has recently made the same point, that they are anxious to do so.

CONGRESSMAN FORD: I would add that the Administration's view is that the whole matter could be solved more quickly if Hanoi would agree to peace in Paris.

That is the way to end it, without having to go through this process of withdrawing American troops from Vietnam, as the South Vietnamese take over the greater responsibility.

Paris is where Hanoi can end the war most quickly, from our point of view, and unfortunately, they have not had any change of attitude since the first day.

Q I was trying to check on whether the General's statement today reflected a new estimate by the Administration of the pace of this program.

CONGRESSMAN FORD: There was no discussion of that.

Q It is a small, but maybe an important point, Senator. With respect, I don't think you directly answered Mr. Semple's question earlier, what is your position today about whether there is movement or a hope of movement toward reaching peace in Vietnam.

Are you rolling back from your position of Sunday, or do you stand by what you said Sunday? Is there any change in your attitude?

SENATOR SCOTT: There has been no change in my attitude nor has there been any change in my information.

What I said Sunday would still stand. I said perhaps I should add the addendum of caution because I don't want to indicate that more than I do, I know.

There is one temptation I would like to avoid. I am not always successful.

Q You said yesterday that the reaction at the White House to your hope for a breakthrough was not unfavorable. Could you tell us if the President agrees with your hope for a breakthrough?

SENATOR SCOTT: The President found no fault with the program on which I spoke and indicated that he thought it was a good program and that it properly presented good answers to the questions and stressed the fact that no one could be more for peace than he is.

Therefore, he could hardly be changed from pursuing a path of peace.

That is an explanation of some statements that he said he would ignore suggestions of the 15th of October. He made it clear that all he said was that he couldn't be affected by them because he couldn't be more for peace. But these demonstrators will also be for peace and therefore, perhaps we are all talking about the same thing in that regard.

Q Did he see the program?

SENATOR SCOTT: You never know. A number of the White House Aides saw it and they called up and said the President liked it.

And then the President says, "I liked the program." Suppose you ask him whether he saw it. I didn't want to ask him. He just said he likes the program. I hope he saw it.

Q Senator, how long has this message of next Monday been contemplated?

SENATOR SCOTT: I first heard of it last night when I was told that the matter might be brought up today. That is all I was told, a one-sentence notice, and then it was discussed today. I didn't know anything until today about it beyond that.

Q A question for Mr. Ziegler:

You mentioned it going up to Congress on Monday. Will it be for release for publication on Sunday?

MR. ZIEGLER: Yes, it will be.

Q 6:30 ?

MR. ZIEGLER: Yes.

THE PRESS: Thank you.

END (AT 11:12 A.M. EDT)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE WITH CONGRESSMAN GERALD FORD AND

METROPOLITAN POLICE CHIEF JERRY V. WILSON

10:55 A.M. EDT

MR. ZIEGLER: As you know, there was a meeting with bipartisan leaders here this morning in the Cabinet Room. There was a group of the press who attended that meeting and I think they may have filled some of you in. There will be a transcript of that meeting made available in the next hour or so. For those of you who could not make it in this morning at 8:30, Congressman Ford and the Chief are here to discuss the meeting with you and to take any questions that you may have.

Congressman Ford, would you like to start?

REPRESENTATIVE FORD: The purpose of the meeting was to emphasize the crime crisis that exists in the District of Columbia and to emphasize and re-emphasize the urgency that the President has for whatever action can be taken by the Congress to help solve the problem.

The President has sent to the Congress, as all of you know, a pretty comprehensive anti-crime package for the District of Columbia, including the space for more personnel as far as the Department is concerned, courts and prosecutors, and in addition, some substantive legislation to make it harder on the criminal element in the District of Columbia.

I think the meeting with the members of the Committee on Appropriations, with the Committee on the Judiciary, on the Legislative Committee on the District of Columbia, indicates that as far as the President is concerned, he wants action, and I am glad to report, at least my observation was, that there was unanimity on both sides of the aisle on all committees that action would be forthcoming for additional dollars and for the necessary legislation in the area of preventive detention, in the area of court reorganization, and any of the other specifics that the President has recommended.

I think the meeting ended up on a high level of cooperation between the Executive Branch and the Legislative Branch.

MR. ZIEGLER: Chief, would you like to comment?

CHIEF WILSON: As Congressman Ford said, the meeting was very productive. It seems to me one of the most positive meetings I have been in in a long time. We discussed what is the actual crisis in crime in the District of Columbia at this time and the need for immediate action before Congress adjourns, on the preventive detention proposals, on the appropriations

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proposals, which would provide for treatment of narcotic addicts and for involuntary hospitalization of addicts, and the court reorganization bill, the general legislative and appropriations package which is not to treat the Police Department, which has historically been treated well by Congress, but the whole justice problem of the District of Columbia, to meet the problems we face, which are acute problems.

REPRESENTATIVE FORD: I think Bill Natcher indicated that in the 15 years he has been on the Appropriations Subcommittee for the District of Columbia -- I don't know how many years he has been chairman, a good many -- this was the second meeting in 15 years where a President of the United States had met with the responsible people on the various committees.

I can't quote precisely what Bill Natcher said, but he certainly indicated that the President's affirmative interest was best indicated by this meeting this morning and that he thought it would be a very productive meeting in getting both money and substantive legislation to meet the problem.

Q Did Senator Tydings have anything constructive or definitive to say?

REPRESENTATIVE FORD: Yes, he did. I unfortunately missed the first 15 or 20 minutes of the meeting, but while I was there, there was nothing but, I would say, constructive discussion on legislation and on other ideas that he mentioned. I guess we can talk about the need and necessity for, as he expressed it, a new jail here, which I think was agreed had to be constructed. The Chief can give you more detail on why, but this was a suggestion that Senator Tydings made, and I think there was agreement that this ought to be high on the priority list.

CHIEF WILSON: And he also addressed the problem of the need for hospitalization of narcotics addicts and other treatment of addicts, which is one of our most pressing problems in the District at this time.

Q Congressman, do you think most of the President's crime package will get through the House this session?

REPRESENTATIVE FORD: I am always an optimist, and I think the fact that this meeting was held and there was such a high degree of unanimity expressed by the leaders, I think we can. I certainly don't start out with the assumption that it will not. I think it is of such urgency that the Congress, the House as well as the Senate, ought to act affirmatively.

Q But you will concede it has moved pretty slowly so far?

REPRESENTATIVE FORD: I agree. I am not condemning anybody or excusing anybody, but we are going to be here until probably Christmas Eve and I think there is ample time to have it done. Wouldn't you be glad to have us here that long?

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Q Did Mr. Natcher indicate the last time such a meeting was held?

REPRESENTATIVE FORD: I think he indicated sometime early in the administration of John F. Kennedy a similar meeting was held.

Q Since the President made such an issue of crime in Washington during the campaign, did he express any kind of frustration or discouragement at the fact that the crime rate is still going up here?

REPRESENTATIVE FORD: I would not say it was frustration. I think the fact that the meeting was called indicates his strong feeling that something affirmative has to be done. You can't look at those crime statistics without feeling some disappointment. So if we are going to get action, obviously a package like the President has recommended is what has to be approved by the Congress.

Q Chief, is there anything that could be done administratively to deal with the crime problem without having to wait for Congress?

CHIEF WILSON: Not really, beyond what has been done, which is adding overtime for police officers, which really does not effectively deal with the problem of a situation where a hold-up man who is arrested must be released by the courts before trial, where there is no real emphasis placed on narcotic addiction treatment, which cannot be done without appropriations.

No. As a matter of fact, the only thing that could be done was what the Mayor did on August 28th, which was beef up police patrols, which was all he could realistically do.

Q What is your projection of how much crime would decrease if Congress passed these proposals?

CHIEF WILSON: I am not a soothsayer. I think we could get realistic drops in armed robberies. I think they could be reduced by one-half if pre-trial detention and narcotic addiction treatment were put into effect immediately. I say that simply because armed robberies have doubled in the last few months largely as a result of the Court of Appeals rapping the Court of General Sessions for holding for bail persons charged with armed robbery.

Beyond that, I don't think I could realistically say that a certain percentage reduction would occur. Several of the proposals are long-range. I have to recognize it is going to take one or two years to take effect. Even a new jail, which is badly needed, is going to take several years to construct.

As I pointed out this morning, the things that would have an immediate effect, enactment of preventive detention, involuntary hospitalization of narcotics addicts, and the provision of Methadone maintenance. The other provisions would take a little longer.

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Q Are the facilities available for preventive detention without the new jail?

CHIEF WILSON: This is one of the new problems. The facilities are going to be crowded with preventive detention, but I think there are relatively a small number of hard-core criminals who, if gotten off the street, would help us a great deal in armed robberies.

Q Are you talking about a replacement for D.C. Jail or Lorton?

CHIEF WILSON: D.C.

Q You placed stress on two things, your pretrial detention, your inability to do that now, and the problem of concurrent sentences. I was not sure whether these things require constitutional changes or administrative and statutory changes.

CHIEF WILSON: Both of those require statutory changes. Neither, so far as I am aware -- and I am not a constitutional lawyer, so I speak without portfolio -- but neither would require constitutional changes. The position of the Administration is that both of these changes could be accomplished by legislation.

REPRESENTATIVE FORD: Chief, what percentage of the armed robberies in the last several months have been undertaken or committed by repeaters?

CHIEF WILSON: We don't have real, hard-core information on this, Mr. Congressman, but we have found, for example, in a survey we ran last year, that 35 percent of the individuals released on pre-trial detention commit other armed robberies while they are out on pre-trial detention, and we have no indication that this has improved. It looks as if it is worse.

REPRESENTATIVE FORD: If you had preventive detention, at least 35 percent, as a good figure, would drop in armed robberies?

CHIEF WILSON: I would estimate a higher rate of drop than that.

Q If you had pre-trial detention without at the same time having court reorganization going hand in hand, wouldn't this lengthen the time these people have to stay in? Wouldn't the backlog be so great you would be overcrowded?

CHIEF WILSON: The pre-trial detention proposes they can be held for 60 days, provided the case is not being continued at their own request. One of the problems is, according to the lawyers, that when the individual is not in jail awaiting trial, when he is out there is no incentive on behalf of the defense to go to trial, so the defense attorney uses the classic way of fighting the trial, and that is to delay. Any criminal lawyer will tell you that, a defense or prosecutor will tell you that: The classic way of defending oneself is to delay it until the witnesses have forgotten, or the facts are forgotten or the witnesses have moved away. Pre-trial detention provides a good way to come to early trial.

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Q Do you think detention of addicts would help in other cities?

CHIEF WILSON: I would hesitate to put myself in the position of analyzing other cities' problems because I am not familiar with them. I would expect that certainly treatment of addicts would help. I am not certain other cities have the problem we have in terms of pre-trial detention because although the money bail system which was in effect in the system, and which is in effect in most cities, does not provide automatic pre-trial detention.

Studies show that the judges in assessing the bail do use the system for pre-trial detention. For example, the Commission on Crime in the District of Columbia found that when an individual came before the court who had been charged with a crime while out on bail, he received an average of 100 percent higher bond than on the first offense. So the indication is that other cities probably don't have as acute a problem as we have.

Q Mr. Ford, is there agreement generally among lawyers and men in the Congress that there is no constitutional issue in this pre-trial detention problem and also the problem of concurrent sentencing?

REPRESENTATIVE FORD: I have not made a survey of the Congress and the lawyers. I believe however -- this is just a personal assessment from listening and talking with people in the Congress who are lawyers -- I think the majority would agree that preventive detention is constitutional under the safeguards that are included in the President's recommendation.

It is not just automatic. I mean, the judge has some leeway. I think as long as the court has that leeway, most Members of the Congress who are lawyers would argue that it was constitutional.

Q Mr. Ford, do you have any guidance, unofficial or not, from the House Judiciary Committee as to their feeling on this?

REPRESENTATIVE FORD: Mr. McCulloch was there at the meeting. Mr. Celler was not. I have not talked to Mr. Celler about it. But the impression I got from Bill McCulloch this morning when he was asked to make some comments was that he was for the package. We did not go down the list, but I got the impression that he felt the whole package deserved immediate attention and approval by the Congress.

Q I was wondering, from an overall point, the House Judiciary Committee, from Congressman Celler and Congressman McCulloch and the others, since this is so basic.

REPRESENTATIVE FORD: I have not talked to others on it. I have not polled the Committee on the Judiciary, but my general impression would be that the committee would act affirmatively.

Q Chief, what figures do you have relating drugs to robberies and other crimes?

CHIEF WILSON: We have very sparse statistics on the relationship of addiction to crime, but our surveys which have been run in D. C. Jail and which we have been running of persons arrested indicates that upwards of 50 percent of persons committing robberies are addicts, which is a change. Addicts heretofore were almed at property-type crimes, housebreaking and petty larceny, and the indications now are that 50 percent of all of our crimes are committed by addicts.

I might emphasize on pre-trial detention that this is aimed at a few. This is not flat pre-trial detention of everyone arrested. This morning we discussed this and there are really very few people who have to be held in order to have a very immediate effect on crime.

REPRESENTATIVE FORD: May I answer affirmatively a question that was asked? Bill McCulloch, myself, all members of the Minority, and a substantial number of the members on the Majority side, I am told, introduced the preventive detention proposition. So I think on the basis of that, there is substantial support in the committee for the legislation.

MR. ZIEGLER: Thank you very much.

END

(AT 11:10 A.M. EDT)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
SENATOR HUGH SCOTT
AND

CONGRESSMAN GERALD R. FORD THE ROOSEVELT ROOM

AT 10:42 A.M. EDT

SENATOR SCOTT: Good morning, ladies and gentlemen.

This morning the President and the Leadership discussed several things: The Haynsworth nomination, the economic questions, the October 15 moratorium, and others.

On the matter of the nomination of Judge Haynsworth, the President expressed himself as firmly and unequivocally determined to go forward with the nomination.

The President also has released a letter, which Representative Ford will refer to, having to do with H.R. 13000, the Postal Pay Bill.

CONGRESSMAN FORD: Thank you, Hugh.

We also discussed, in addition to the letter that I will summarize for you, the impact that some of us found around the country over the weekend on the President's message, which came to the House and Senate yesterday.

I was in Texas, Nevada, and Michigan over the weekend. I can say that universally the public has responded to the program the President has submitted. I think you will find a great surge of public opinion insisting that the Congress respond to the President's overall legislative package.

And I, for one, just as the President expressed it, hope and trust that this Congress will act affirmatively on this program. I don't think we ought to get into nitpicking about who is at fault, if there is any blame. All of us can be the beneficiaries of affirmative action. I think the public is going to insist upon it.

One of the items that the House today is considering involves H. R. 13000. It is a bill that, if in its present form is passed, will add approximately \$4.3 billion in Federal expenditures. Secondly, if it is approved by the Congress in its present form, it will undoubtedly undermine any opportunity for bona fide, legitimate Post Office reform legislation.

Because of its inflationary impact, and for the other reasons that I previously mentioned, this bill, if it comes to the President's desk in its present form, will be unacceptable to the President of the United States.

I might add one paragraph, quoting from the President's letter. "The increase which the Post Office Department alone must absorb, for example, would require cutbacks in a variety of services. They would include the elimination of Saturday deliveries and window service for rural, city and suburban areas alike."

If this legislation is enacted over the President's veto, inevitably you are going to have just further deterioration of Post Office Department service.

And I, therefore, hope and trust that the House uses some good sense today and takes another look at this kind of legislation.

I can add, as a supplement, that the President has a group in the Executive Branch of the Government that is working on pay comparability and pay problems for people in the Executive Branch of the Government. But their recommendations certainly cannot follow the pattern of H. R. 13000.

SENATOR SCOTT: One last thing. Today is President Eisenhower's birthday. We have been trying to get the Eisenhower Dollar Legislation adopted by today in the Senate. Senator Kennedy was in charge yesterday. There has been some colloquy and it is our hope that that bill can be disposed of today.

Q Senator Scott, did you at any time write to the President asking him not to make the Haynsworth appointment?

SENATOR SCOTT: No, sir, I did not.

Q Senator, what did you talk about in regard to the moratorium? What was your conclusion?

SENATOR SCOTT: Well, we, first of all, agreed that there is no argument whatever in the fact that everyone concerned, from the President down to every last American, has the same objective: We are all for achieving peace.

Every President in recent years has known war.

And the President shares the anguish of spirit, which will be exhibited tomorrow in memory of those who have fallen, and in concern over the future course of America.

But the President is firmly on his course for peace. His plan is a plan in progress. It is a plan which is the only one in my judgment which offers an opportunity to achieve that for which people will be demonstrating; that is, there is only one negotiator at the top and if anyone has a better plan than the President, obviously, everyone wants to hear it.

But no matter whose plan is offered, it has to be implemented by the President. And he believes that his plan is the working one; that it will work; that we will get out of this war; and that we will do it as expeditiously as the sum total of events will permit.

Q Senator, do you find that it is the President's view that the demonstration such as tomorrow will delay the possibility of negotiating a settlement or hinder the efforts to get a negotiated settlement?

SENATOR SCOTT: The President has made no such statement, nor do I think that peaceful demonstrations would impede or delay a settlement. I think that violence, those people who want peace so much that they would fight everybody in sight to get it, would probably be a counter-productive effort.

CONGRESSMAN FORD: If I might add a comment. I think it is well to point out that President Eisenhower, whose birthday it is today, ended the war in Korea and the plan that President Nixon has will end the war in Vietnam. But there can only be one quarterback.

The American people selected President Nixon as the quarterback for at least this four-year period.

I might use this analogy. This is the football season. Joe Namath is a great quarterback. The New York Jets seem to be doing pretty well with one quarterback. If they had 11 Joe Namaths on the field, I don't think the New York Jets would win very many football games.

I happen to believe that we have a good quarterback. He has a good plan. I think it will be successful and will get peace in Vietnam.

Q What is your position on the all-night marathon that some of the Democrats want in the House?

CONGRESSMAN FORD: As far as I am concerned, if they want to go on all night, I am not going to object to it personally. I think there may be some others who might do otherwise. But if they wish to proceed that way, and as long as they present reasonable arguments for the continuation, fine.

They are going to take an awful lot of time to come up with some ideas that I think they might more succinctly submit through other channels.

SENATOR SCOTT: There might be occasion, if Members of Congress want to have night sessions, to consider such matters as obscenity, pornography, crime in the District of Columbia, bail reform, and all the crime bills.

I haven't heard anybody offer to work overtime on any of the pending legislation of that kind.

Q Senator, yesterday in the Senate, if I am not mistaken, you asked those who were introducing resolutions opposed to the President's course to ask themselves the question which side are they on. What did you mean by that?

SENATOR SCOTT: I didn't direct it to the people introducing resolutions. I said to all those people who share a common concern for peace, all the people who demonstrate, all the people who will gather on October 15, ought to ask themselves what side are they on, because it seems to me that if Americans will examine the fact that they have only one negotiator, not that they should agree with everything that he says or does, but that they should give him the fullest opportunity to bring about a peace.

I think it is a proper inquiry.

Q Is the implication of that question that these people are not on the President's side, they are on the side of Hanoi?

SENATOR SCOTT: No, the implication is not that. The implication is not that they are the enemy.

The implication is that the enemy cites statements made by Americans and that, therefore, Americans need to be responsive in everything they say so as not to unwillingly or unintentionally give information to Hanoi which can be used as an argument that America is divided and therefore they don't have anything to talk to us about.

Q Senator, Scott, when the Haynsworth nomination reaches the Senate Floor, will you vote for it or against it?

SENATOR SCOTT: I will be glad to tell you at that time. I expect the nomination to be approved.

Q You said that economic questions were discussed in the leadership meeting. Could you elaborate on that? Is the President satisfied that his policies are working at this point?

SENATOR SCOTT: The President is satisfied that his policies are working. He is satisfied that inflation can be brought under control, that the policies can be and are being made effective, and that this can be done and it is possible and feasible at the same time to hold down the level of unemployment; that they are in a period where certain Administration actions have to be taken.

From there, we may well move to a period where some of these things can be lightened or lessened in their effect. But, first, we must go through a period of some time in order to hold the inflationary monster back and he believes that that is being achieved. It is now in process.

Q Senator, I am concerned about the apparent contradictions between two things you said on this moratorium. You said you saw no objection to a peaceful demonstration by Americans.

SENATOR SCOTT: I am glad there are only two.

Q Yet, you also seemed to me to be saying that this kind of thing gives aid and comfort to the enemy in terms of making the enemy think that this country is divided and not following the President. How can you support the peaceful demonstration and also say the other?

SENATOR SCOTT: I can support a peaceful demonstration and urge, one, that it be peaceful; urge, two, that it be constructive; urge, three, that it be responsive; urge, four, that those who do it be very careful that in so doing they are giving aid and comfort to the country's negotiators and not aid and comfort to anyone else. I think it is a proper request.

Q Do you think this demonstration tomorrow meets your criteria as a legitimate demonstration?

SENATOR SCOTT: I have no way of knowing what tomorrow will bring forth. That is one of the excitements of my job and one of the burdens of it.

I would assume the way it is being organized that there is every honest intention for it to be a peaceful demonstration on the part of the organizers.

I am equally certain that there are disruptive forces in America who will try to exploit it. I hope they are not successful.

Q Senator, I am a little puzzled by your decision not to let us know how you are going to vote on the Haynsworth thing at this time. Does that indicate that you want to still hear more facts, that you are not convinced that he is as clean ---

SENATOR SCOTT: It simply indicates that, as a Senator, I have long refused to indicate my vote on matters of the highest interest. We will have a much greater amount of publicity if I keep you guessing.

Q Senator, is there any chance that that vote might not come before the end of this session?

SENATOR SCOTT: I have not heard that seriously postulated. I think it is likely to come well before the end of the session.

Q Senator, as the Republican Leadership in the Senate, since you don't want to make your plans public on Judge Haynsworth, can you tell us whether or not you have indicated to the other Republican Senators what your plans are?

SENATOR SCOTT: I have not indicated to other Republican Senators what may happen with their votes or with mine other than to attempt to secure an estimate on how the votes are going.

Some are for it, some are against it, and some are uncommitted. I am not prepared to tell you what the count is, because it is incomplete. Until I have that, I am not prepared to say.

Q Have you told the President how you will vote?

SENATOR SCOTT: I have discussed the matter with the President. Beyond that, I, again, am not prepared to say.

Q Do you anticipate the President's message this week on inflation will contain any new initiatives or rather would be a re-statement on what he has done so far and how it is working?

SENATOR SCOTT: Which message?

Q The White House said yesterday the President will have a message on inflation.

SENATOR SCOTT: I think Jerry could answer that better.

CONGRESSMAN FORD: It is my understanding that there will not be a message, as such. But there will be a full and complete discussion at the White House with the individuals in the Congress who have charge of legislation involving the anti-inflation fight.

This will come sometime this week. It will be a resume of where we are, what we have to do, and an indication of the fact that we have turned the corner in the battle against inflation by the responsible fiscal and monetary policies of this Administration.

But as far as I know, it will not be a message, as such.

MR. ZIEGLER: The President didn't cover this in specific terms this morning in the general discussion of inflation. But there is a plan for the President to possibly have an address on inflation this week.

Q Senator, will the Haynsworth nomination be hurt in the Senate by Sunday's less than unaminous endorsement of him by the ABA's committee in New York?

SENATOR SCOTT: Will it be hurt?

Q Will it be hurt?

SENATOR SCOTT: The Senate is the forum for debate. Undoubtedly, people will raise that point and others will argue that the American Bar Association has reaffirmed its earlier position.

I can't anticipate what Senators will say. I can only tell you what the President's position is, and that is firmly and unequivocably in support of the nomination, and that I expect it to be confirmed.

Q Has the President reviewed the factual situation, or the charges, back and forth, or did somebody on the staff review it with the leaders?

SENATOR SCOTT: Mr. Mollenhoff made a presentation this morning and there was general discussion.

Q Do you know, and if you do, will you tell us who asked the Bar Association to take another look at Judge Haynsworth?

SENATOR SCOTT: I can clarify one thing: I am not the person who did.

The answer is I have heard only by rumor who made the request, and I am not really qualified to simply give you the benefit of the rumor.

I think I know. But I know it was not myself. I saw Mr. Segal on the day in question and spoke to him regarding two Pennsylvania Judgeships. I spoke rather urgently. I am sorry to say he doesn't agree with me.

Q Congressman Ford, I think you said that the President would indicate that we have turned the corner on inflation.

CONGRESSMAN FORD: That is correct.

Q Is that his view or is it yours?

CONGRESSMAN FORD: That is the President's view; that the policies that we have been following under this Administration have taken the first big step in turning the corner on inflation.

I think you will find, not tomorrow, maybe not for a month or two, some very substantive benefits from this effective battle against inflation.

We are optimistic that we can look forward in the near future to effects that will be helpful as far as the consumer is concerned without any rise of any significance in unemployment.

Q Congressman, was it your intention to describe the President as the Joe Namath of American politics?

CONGRESSMAN FORD: No. I was using only that as an illustration. I could pick any one of other first-class quarterbacks in both pro football and in college football.

Archie Manning down in Mississippi is a pretty good one. But I don't think Archie Manning would win many football games if he was out there all by himself.

I think you have to have one quarterback. We have a good one. I think he is going to win this battle against Hanoi, and achieve and be successful in accomplishing peace in America.

Q Congressman, the coach sends in a player now and then, doesn't he?

CONGRESSMAN FORD: He does. But some of these people who are making suggestions, I don't think, would qualify as very high-class coaches.

So I think we ought to stick with a quarterback who is making some successful accomplishments, a 20-percent reduction in the combat forces of the U.S. military personnel in Vietnam; a 12-percent reduction in overall U.S. military personnel in Vietnam. That is making headway in achieving peace and disengaging the United States.

You know, most of these grandstand quarterbacks never play a ball game. But they have got lots of advice. They wouldn't know how to play the ball game if they were on the field.

The American people selected one quarterback. He is doing a good job. I just don't think we ought to have a whole football field of quarterbacks out there in this crucial battle that involves the lives and future of a good many young Americans.

SENATOR SCOTT: I am still going to keep my lights on tomorrow. I may be the only person in the whole country, but I am doing it.

CONGRESSMAN FORD: I am joining you.

Q Congressman Ford, in addition to criticizing the committee-passed bill on postal matters, what positive suggestions do you have for changing it?

CONGRESSMAN FORD: I think we will rely on two things:

As I said, the President has a committee now working on comparability and other pay problems in the Federal Civil Service and postal service.

This group, we hope, will come up with some constructive programs to make sure that Federal employees are adequately compensated, have adequate opportunities for promotion, et cetera.

Secondly, if we did get the President's postal reform legislation through the Congress, it means that about \$850,000 postal employees will have a better opportunity for better working conditions, better pay, better incentives, et cetera.

But the fact that the Congress apparently at this moment is sitting on and not moving ahead with the President's postal reform legislation is harmful to the best interests of the 850,000-some postal employees in the Federal service.

Q Has that been reported out of committee, just for background?

CONGRESSMAN FORD: No. Last week, they had a crucial vote whether to take up the President's postal reform legislation, or whether to take Chairman Dulski's bill. And on a 13-to-13 vote, they agreed to put in the background temporarily the President's postal reform bill and to consider the Dulski bill. But I would like to make this observation:

Q That is the one you are aiming at, the Dulski bill?

CONGRESSMAN FORD: Let me give you a little fill on what I think is going to be the progress of this.

I suspect now the Committee on Post Office and Civil Service will report out the Dulski bill, which is not really meaningful postal reform.

I presume they will get a rule. Then the crucial test will come in the House of Representatives. If we are unable to substitute the President's postal reform bill, which has some real reform in it, then the committee as a whole will offer — a motion to recommit and get a role call so the people will have a chance to know whether you are going to have this superficial reform or meaningful reform.

END

I think the public will insist in the final analysis on meaningful reform.

THE PRESS: Thank you.

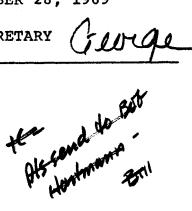
(AT 11:05 A.M. EDT)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE SENATOR HUGH SCOTT AND CONGRESSMAN GERALD R. FORD

THE ROOSEVELT ROOM



AT 11:09 A.M. EST

CONGRESSMAN FORD: Good morning.

This morning we talked about several matters, the first of which I will discuss. I will open it up by indicating that the President is sending to the Vice President and to the Congressional Leaders a letter which will be released shortly pointing out the critical nature of the fiscal crisis that we face, primarily because of the lack of action in the Congress on appropriation bills on the one hand, and the action of the Congress in other instances increasing authorization or expenditures.

The letter to the Vice President and others in the Congress will point out that as of now the President has only two of the appropriation bills out of the 13 before him; one he has signed and one undoubtedly, he will sign sometime this week.

In the House of Representatives we have passed only five out of 13 appropriation bills. I cannot relate the situation in the Senate, but the net result is the action on the part of the Congress in relationship to the appropriation bills is very, very poor, probably the worst in the history of the Congress.

In addition, as I indicated, the Congress, after setting an expenditure ceiling of \$192.9 billion for the current fiscal year has now, on more than a number of occasions, by legislative actions, either authorizations or approprations, breached that ceiling.

The consequences here, I think you can summarize This is irresponsible fiscal management on the this way: part of the Congress itself.

Now the problem is complicated by one other situation. The President, the Executive Branch of the Government, must submit to the Congress in early January the budget for the next fiscal year, fiscal year 1971. Of course that sizable document which you have all seen cannot be put together at the last minute.

With the lack of affirmative action on the part of the Congress on fiscal 1970 budget matters, the Bureau of the Budget is in a real bind on what they ought to plan for, what they ought to suggest that the President recommend for fiscal 1971.

The letter to the Vice President and others will point out the critical nature of this situation and the fiscal irresponsibility of the Congress in not acting more affirmatively and more quickly.

Q Will this letter be available today?

MR. ZIEGLER: It will be available in about an hour.

SENATOR SCOTT: The fiscal crisis which impends is not only unprecedented but can be extremely detrimental to the family budget as well as the national budget. We are four months into the fiscal year and these continuing resolutions in all but two of the 13 appropriations represent a situation that has never occurred before in the history of this country.

In other words, the budget figures are not available and yet, by statute, the Administration must go in at the beginning of the year with a budget not yet based on information which the Congress has a duty to furnish and which they have not furnished.

On another matter, Mrs. Knauer discussed with the Leadership a consumer message which the President will send up sometime within the next week, and that had a very enthusiastic reception. It is a bold approach. It is extensive. It breaks new ground. It involves not only the coordination of some of the 900-odd existing activities, but will set up new institutions to deal with consumer problems.

The emphasis will be on the protection of the health of the American people. This will be an entirely new approach to consumer related agencies and toward communicating directly through Mrs. Knauer as a pipe line from the consumer to the President.

CONGRESSMAN FORD: There was one other matter discussed. Dr. Kissinger outlined for the Leadership the situation in reference to the SALT talks.

The President and the Administration were pleased that we have now made arrangements to meet in Helsinki. The Government of the United States is better prepared to sit down and negotiate with the Soviet Union in this very critical matter.

The preparation has been going on for the last six or more months and there is unanimity within the Executive Branch of the Government on our position in the wide areas that will be included in these talks.

The fact that the talks are limited to arms limitations does not preclude, however, the need and necessity for broader issues to be brought in as the talks progress.

Q Mr. Ford, to what do you and Senator Scott ascribe the reasons for this delay in the appropriations action?

CONGRESSMAN FORD: Quite frankly, I wish I knew the answer to that. All we know is that the Congress has not acted affirmatively, affirmatively today, for example, and certainly by the end of the month this Government could be faced with a dire fiscal situation.

If the Congress takes some action that blows wide open any fiscal responsibility, and there could be some contests between the House and the Senate, it is possible -- I hope it is not true -- that there could be no authority for any branch of the Federal Government to pay its employees, because the existing continuing resolution only goes until October 31.

If there is a breakdown between the House and the Senate on the one part, and any problem between the Congress and the Executive Branch on the other, there could be no authority for any payment for goods, services or employees after October 31.

SENATOR SCOTT: Or salaries of Congressmen, for that matter.

Q Would you propose that the House and Senate meet around the clock in day and night sessions, at least not have this Thursday-Tuesday absenteeism, to correct the situation?

CONGRESSMAN FORD: Let me say I wholeheartedly agree with the observation you have made. I think the Congress from now until we adjourn ought to be on a minimum of five days a week and hopefully a six-day week, with longer sessions each and every day.

I think this is needed and necessary and in the public interest.

SENATOR SCOTT: I would like to explain some of your question as to why we have held up. The Congress has not passed a number of authorization bills and, therefore, the Appropriations Committee cannot act on that particular matter, like the independent offices, there are three authorization bills not yet acted upon.

Q On the SALT talks, what did you have in mind when you spoke of extending it to other problems?

CONGRESSMAN FORD: In addition to the arms limitations problems, there are a number of political issues involving the relationship between the United States and the Soviet Union. I don't think you can totally disassociate the two. Although the specific purpose of the SALT talks is to try and find a workable way to limit arms, the whole atmosphere between the United States and the Soviet Union depends on a number of other more or less political problems. I think the progress in one area has to be related to the progress in the other.

Q Mr. Ford, did you talk about Vietnam this morning?

CONGRESSMAN FORD: The President did in this context: The President said that it would be unwise for any one of us or the nation as a whole to speculate on what he was going to say in his speech to the American people on November 3.

Q Did he say what he was not going to say?

CONGRESSMAN FORD: The President just urged us all not to speculate on the content of that speech, except it would be a broad and comprehensive review of our situation in Vietnam.

Q Was he chastizing Senator Scott?

CONGRESSMAN FORD: No, I don't think he was chastizing anybody. He was just telling us that the speech would be significant, comprehensive, but urged us not to speculate on the content.

SENATOR SCOTT: Senator Scott stands on his own feet on these matters, and I think I have made my views clear. I think all of you will be terribly interested in the November 3 speech. I imagine you will watch it. I have full confidence that the American people will find it very reassuring. It will not only be a comprehensive review of the whole policy in Vietnam, as Congressman Ford has said, but will discuss "Where do we go from here?" I have no area of disagreement with that.

Q Congressman Ford, can you list for us some of the spending increases which the Administration opposes and is it your belief that the President will not spend this money; that the Congress is just passing these increases, and the President will put this money in escrow?

CONGRESSMAN FORD: The one specific legislative proposal that the President has indicated strong opposition to is the \$1.5 billion pay increase legislation which went through the House, the \$1.5 billion for this fiscal year, and \$4.5 billion for subsequent fiscal years. That is the one where he has quite clearly indicated his opposition.

There is no other specific bill that the White House has indicated its opposition to, as such. But there was a list of measures that show the add-on of the Congress and authorization and appropriations which I suspect would be made available from the Bureau of the Budget, if all of you are interested.

Q Congressman Ford, who is to blame for this socalled fiscal irresponsibility on the part of Congress?

CONGRESSMAN FORD: I think the Congress is in a very paradoxical situation. They talk about a spending limitation on the one hand, and then they succumb to the preasures of various groups who want the Federal Government to spend more than either former President Johnson or President Nixon have advocated in a wide range of spending areas.

I think the Congress is unfortunately in the position -- and I regret it very much -- of talking about saving on the one hand, and then spending on the other. Congress has to realize that if we are going to get out of the fiscal mess we are in, we have to be consistent and that means a spending limitation.

Q Congressman Ford, did you, in this review this morning, have any reason to believe, or was there any mention that there will be a breakdown in the passage of a continuing resolution going beyond the one that we have now?

CONGRESSMAN FORD: Well, it is very possible that because of the conflict between the House and the Senate, the potential conflict between the Executive Branch and the Legislative Branch, that we may not have an extension of the existing continuing resolution. This would have tragic consequences.

Q This is the crisis you speak of?

CONGRESSMAN FORD: That is correct.

Q If there is a failure to pass the continuing resolution and the Government is out of money ---

CONGRESSMAN FORD: The Government is not out of money, it just cannot spend the money.

The point was made, and I think it is a very valid one, that this long delay where we are four months in the fiscal year with only two appropriations bills on the President's deak, there is ample evidence that this delay, this lack of action by the Congress, is adding to the cost of Government.

It was estimated by one of the knowledgeable people in the meeting this morning that this delay, this uncertainty — I say irresponsibility — is adding about two percent a year to the cost of Government. If you take a \$200 billion budget, two percent of that is \$4 billion a year. That certainly is something that we ought to find a better answer to than just going through the motions like we are.

Q Has the continuing resolution been introduced?

CONGRESSMAN FORD: Yes. The House Committee on Appropriations has recommended a continuing resolution which is on the Floor of the House at Noon today and there will be an effort made by some to add some \$600 million to it which will again in part blow the lid off of the spending limitation which Congress has previously approved.

As I understand it, there is serious opposition in the Senate to this kind of action by the House because if the House does this and they force it through the Senate, it means that the House has pre-empted the right of the Senate Committee on Appropriations and the Senate itself to determine what the spending should be in a very important area of our Federal budget.

Q Mr. Ford, you suggested a couple of weeks ago that it is the Democrats who are dragging their feet. Do you still feel that way?

CONGRESSMAN FORD: Certainly in the enactment of appropriation bills the record is crystal clear. This is not exclusively the problem of the Appropriations Committee because in many, many instances there is no affirmative action on authorization bills.

Let me give you several examples: In the case of Foreign Aid, the authorizing committee in the House has not yet completed its mark-up on the Foreign Aid Bill, much less action either in the House or Senate.

In the case of the Military Procurement Bill the House and Senate Armed Services Committees are in conference now. But you cannot bring out the appropriations bill until there is some action on the authorization.

So you cannot point out the Committee on Appropriations. I think the Congress as a whole is at fault and for that reason I think we ought to move to a five day at the minimum and possibly six days a week session.

Q We have been told again and again that the President thinks it is unwise for the press or the Congress to speculate on his November 3rd speech. Has he explained why he doesn't want the speculation? Does he feel it will raise expectations to the point they cannot be satisfied? What harm does it do to speculate, in the President's opinion?

CONGRESSMAN FORD: I think it is more important to get the facts and the program from the man who has the responsibility for the implementation and execution of our policy in Vietnam.

For that reason, I think he is cautioning us not to speculate.

Q What harm does it do?

CONGRESSMAN FORD: Let me put it the other way: What good does it do? I don't think it does any good because on some occasions it might raise false hopes and on the other it might mislead the enemy as to what the President might say.

Overall, I think it is better to wait until the Commander in Chief makes this report to 200 million Americans.

Q Would you say this is a breakdown in leadership of the House Members on the Committees as well as the House Majority?

CONGRESSMAN FORD: I think the Congress. as a whole must share the blame.

Q Republicans, too?

CONGRESSMAN FORD: Although we don't control the mechanisms, because we are in the minority, I think all of us, Democrats and Republicans, ought to put our noses to the grindstone and get this legislative program, that recommended by the President, to the desk of the President for his affirmative action.

Q Congressman Ford, did the time taken by the Administration in revising the budget contribute at all to this delay?

CONGRESSMAN FORD: To a very minor degree, and I think the President, in his letter to the Vice President and to the Leaders, indicates that if there is any blame on the part of the White House, they are willing to accept it, but the time has come now for joint action. It is the same attitude the President took in his message to the Congress a week ago Monday where he said, forget about who is to blame, let's get the job done.

Q Are you saying in the SALT talks that the U. S. will bring up political issues at the outset?

CONGRESSMAN FORD: As I understand it those talks will be specifically limited to the disarmament problems. But you cannot help but have these other political problems that are involved between the United States and the Soviet Union in the overall picture.

Q Whose idea is this, though, Congressman? Is it the President's idea to expand the SALT talks?

CONGRESSMAN FORD: No. It is just that I think we have to be mature enough to understand that all issues have to be kept in proper perspective. The arms talks are limited to that but there are other areas of disagreement that ought to be continuously discussed between the Soviet Union and us.

Q Does the President envision this type of dialogue?

CONGRESSMAN FORD: Yes, I think the President expects to continue the dialogue with the Soviet Union as to their involvement in Vietnam, as to their interest in the Middle East, as to their interest in all other parts of the world.

O At Helsinki?

SENATOR SCOTT: Not necessarily there. This might occur at other places.

Q Are you suggesting that progress towards the arms limitations will depend on progress in other areas such as the Middle East?

CONGRESSMAN FORD: Not necessarily, but this dialogue will go on at all times.

Q There has been a great deal of caution on the part of Secretary Rogers on his pronouncements on this, both in New York when he met with Gromyko and since that, to take extreme care about any speculation about a political negotiating dialogue as they relate to the disarmament talks and his caution there? As he give it to us, and these were on-the-record statements, was to the effect that any suggestion that we might enlarge these things or might take on a political discussion would leave both sides vulnerable to suspect the other of making a propaganda machine of it.

CONGRESSMAN FORD: I thought I was crystal clear in saying that the talks at Helsinki would be on arms matters. But on the whole spectrum of what we have, the Middle East and Vietnam will continue to be on the agenda of both Governments.

 ${\tt Q} \quad {\tt Did} \mbox{ Judge Haynsworth's chances come up today and if so, how do you reckon them?}$

SENATOR SCOTT: They were not discussed.

Now, on the arms limitations matter -- (Laughter.)

I think the President makes a very good point and that is that this Administration is not beginning these talks from a concrete, fixed, immovable position, but that there are a number of basic positions which the Administration has, which it has cleared with its allies and associaters with which the Joint Chiefs of Staff are familiar, and therefore the possibility of success which we argently want is at least to a degree helped by the fact that 90 percent of the time can be spent in negotiating with the Russians rather than to lose so much time as we have in past talks of this kind negotiating with ourselves.

Q Senator Scott, you said that the delay in Congressional action on the appropriations bills would affect not only the Federal Budget, but the household budget. Could you be a little more specific as to how this will happen?

SENATOR SCOTT: Certainly, because the delay, for example, on the extension of the surtax, the delay in the tax relief reform bill, the delay involving a further loss to the Government, the 2 percent variation in forecasts which Mr. Ford mentioned, all of these things contribute to inflationary pressures, all of these things make more difficult the holding down of the cost of living and therefore, do have a direct impact on the household budget.

Q Senator Scott, have you told the President how you are going to vote on the Haynsworth nomination?

SENATOR SCOTT: And as I said, they do have a direct impact on the household budget. (Laughter.)

Q Senator Scott, have you told the President how you are going to vote on the Haynsworth matter?

SENATOR SCOTT: As I said, they do have a direct effect on the household budget. (Laughter.)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OF
SENATOR HUGH SCOTT
AND
CONGRESSMAN GERALD R. FORD

AT 10:25 A.M. EST.

MR. ZIEGLER: The Leadership meeting has just concluded. It lasted an hour and a half. Senator Scott and Congressman Ford are here to report on that meeting.

Congressman Ford.

CONGRESSMAN FORD: The first item on the agenda was a discussion by the President concerning the slow pace of the Congress, particularly as it affected the appropriation situation and the efforts of the Administration to prepare their own budget submission for fiscal year 1971.

The President is also concerned about the lack of action in certain areas such as crime, the narcotics control proposals, the organized crime efforts, the D. C. Crime Bill.

As he concluded, he made a very flat, categorical statement that unless the appropriation bills are through the Congress and unless there is more affirmative action in other areas, he would call the Congress back to a special session December 26.

SENATOR SCOTT: The situation on appropriations is unparalled in American history. Five bills, particularly, are not even in the conference stage -- Labor, HEW, Foreign Aid, OEO and Defense. We appear to have about three weeks to go.

The President is very firm that action must be taken this year on these measures, and as you have heard, otherwise we are back in session December 26. Anybody who wants to go to the Rose Bowl Game will have a day off. _ Unless the Congress acts on all appropriation bills and also unless it shows its determination to begin work early in January and immediately move on such important and critical matters as the crime bill, as one illustration, we may also have to do without the Lincoln's Birthday holiday and all those refreshing and brilliant speeches we are accustomed to making during that period. That means the other Party will have to do without its Washington Birthday holiday, I suppose.

Q How many appropriation bills have been signed?

SENATOR SCOTT: Seven have been finished in the Congress.

Q Is this likely to be an effective way to get the Congress cracking?

CONGRESSMAN FORD: I would say that it should have a very beneficial impact. A good many Members of Congress, I am sure, have made plans to be away during the Christmas-New Year's Holiday period, but it is almost unbelievable that at least the House of Representatives is not utilizing all of the time between now, and we will say December 23 or 24, to complete its action on a number of these legislative proposals. For example, yesterday and today and tomorrow we have no legislative business scheduled in the House of Representatives.

I think it is a most unfortunate development and in this particular case, I strongly criticize those, that small handful of Majority Party Members in the House Committee on Education and Labor, who arbitrarily, on their own hand, thwarted the opportunity of the House to work its will on the OEO bill.

Q Is the President insisting that the House act early on the OEO bill and not delay?

CONGRESSMAN FORD: The President certainly wants the authorization bill passed by the House so they can go to conference with the Senate. I think it is just unforgivable that we are not, today and tomorrow, finishing our action on this bill, letting the House work its will.

Q What is the Administration's position on the OEO bill? Does the Administration still favor the original bill or this new substitute bill, the Green bill, or what is the President's policy?

CONGRESSMAN FORD: I think the President's will is still that he wants a straight two-year extension. On the other hand, we in the House feel that there ought to be an opportunity for the House to work its will. I don't think the proposed substitute, in any sense, is a crippling amendment to the operations of the Office of Economic Opportunity.

My big complaint is that we are not being given the opportunity to work our will, and if we are, I think we will pass a bill that will not be in disfavor down at the White House when they are through.

Q Mr. Ford, is the President then pleased with the delay on the OEO Bill?

CONGRESSMAN FORD: No. I think the President would be extremely happy to have us work our will on the bill, although his position today is the same as it has been for some time, that he wanted a straight extension for two years.

Q What is the word from the President on the Gore amendment?

SENATOR SCOTT: First of all, I would like to say that I am not critical of the way the Senate is moving at the present time, because we are meeting at 10:00 every day. We expect to be in session Saturdays. We are working later and we have the Public Works appropriation bill this morning. While much remains to be done, and that goes back quite awhile, I think that currently the Senate is working very hard.

On the Gore amendment, the President indicated that he fully understood the realities with which we were confronted and Senator Griffin and I both pointed out, I think to the satisfaction of the President, that yesterday we had succeeded in bringing about a reduction of the Gore bill from a \$1000 exemption to \$800 by virtue of the use of the Percy amendment in that connection, and, therefore, we felt that to some degree we had stemmed an inflationary movement. But the effect of the Gore bill is undoubtedly extremely inflationary, and it is hoped that in conference some other outcome may prevail.

Q Senator Scott, did you pursue with the President the complaints you had yesterday of certain Executive Branch people working at odd purposes with what you were trying to do?

SENATOR SCOTT: I would not characterize it as a complaint or pursuit of a complaint. I think sometimes in the heat of a situation of that kind, we say things that may be a little bit unconsidered -- the Supreme Court uses the phrase, "the unconsidered phrase,"--at times, but that was not pursued in that sense.

What was done was to explain that we had fought the good fight there, bearing in mind that the difficulties of individual Senators with regard to the proposed increases in the dependency allowances was considerable, and that each Senator had his own problem. We think we were very lucky not to lose more than eight or nine Republicans on the Gore amendment.

I think it was occasioned by pursuing the Percy amendment. My comment yesterday was really directed to the fact that we need that much leeway up there in order to sometimes introduce our own amendments as a substitute for the other side. It was a tactical discussion.

Q Senator, would it be your judgment that the Gore amendment might be vetoed unless it is changed in conference?

SENATOR SCOTT: The President has not given any indication of what he would do on the tax bill. I think he hopes for a tax bill that is very close to the Administration's recommendations. The closer it is the more pleased he will be with it. What action he takes, I would say, would be determined by that guideline.

Q In discussing the possibility of a special session, Representative Ford said unless the appropriation bills are through the Congress, and Senator Scott said unless all appropriation bills -- is that an interchangeable term?

CONGRESSMAN FORD: Yes, I think we are talking exactly on the same wave length. We have two appropration bills yet to pass the House -- Defense and Foreign Aid -- plus the third, the supplemental, which, of course, will come the last part of the session this year.

We will get both of those appropriation bills through the House next week, but there are, I think, four or five appropriation bills that have either not been acted upon by the Senate or are still in conference. It is absolutely essential that all of these be through the Congress and awaiting the President's signature before we adjourn, or the President was very firm that he will call us back into special session, and he added, as a postscript, he will be here to work with us.

Q You also said affirmative action in other areas, too.

CONGRESSMAN FORD: There are some other legislative areas where he would hope that the Congress would do something, as in the crime package, particularly.

Q Is that now in the Senate? What you just said indicated that the log jam is in the Senate, is that correct?

CONGRESSMAN FORD: It is a log jam in the Congress, although the Senate can't be blamed for the fact that two appropriation bills have not passed the House yet, but they will be over there next week.

Q Senator Scott just said he was satisfied with the present pace of the work in the Senate.

SENATOR SCOTT: I said "present." I said that some of our troubles go back to what we did not do earlier and that means that I am not satisfied with the Senate's record for the year. I said that we are now -- perhaps I should add the word "belatedly" -- working quite hard, but we are confronted with some problems that arose because we didn't start working hard enough soon enough.

Q If the Senate works at the present rate until the 23rd of December will .that make it unnecessary to have the post-Christmas session?

SENATOR SCOTT: That is a universal hope and I would particularly hope that the Senate would stay in session later in the evening in order to get this done.

Q You said before that this is without precedent in American history, this situation. What is the reason for this? Where does the fault lie for this breakdown?

SENATOR SCOTT: I think it is fairly obvious that it is the function of Congress to pass authorization bills and appropriation bills, that in not acting early enough on the authorization bills you had the dominoe effect on the appropriations bills. Therefore, Congress, controlled in both Houses by the Democratic Party, has for the first time in American history come to the last month of the year without acting satisfactorily or adequately on all appropriations bills and should they go over there would be a danger that some could not be acted upon until next February.

That is the situation which is not acceptable to the Executive Department. I must say I have never seen the President any tougher than he was today. He said we are going to be responsible down here and we plead with all of you in Congress to meet us on the same plane of responsibility."

Q Senator, I wonder if we could get your thinking about some of the counter causes that have been expressed by those Democrats who lead the House and Senate now that primarily the problem that you are facing today can be laid at the doorstep of the Executive and that the President himself did not push in the earlier sessions.

SENATOR SCOTT: You remember the President's message earlier that the blame could be assessed on the Executive and Legislative, that the proper competition at the polls next year should be on which Party has done the most effective work and has done the most work for the benefit of the public interest.

I would say on behalf of the Executive Branch that we are still to remember that many of these messages came up in March, April and May. The crime bills have been waiting nearly all year for action, and not a thing has happened on them.

The narcotics problem increases, the crime rate increases in the District of Columbia. There has been no action whatever on those matters.

Q If the Congress was called back, how much time would you have before the new Congress is supposed to meet in order to clean up the business?

CONGRESSMAN FORD: The Second Session of this Congress is supposed to reconvene January 3, unless the Congress, by action on its own, selects another date. So if we come back December 26, we have four or five working days in there, and then, of course, the Congress has to reconvene unless we change the date from January 3.

Q Do you have an adjournment date set now or just discussed?

CONGRESSMAN FORD: There has been discussion, anywhere from the 20th of December to the 24th. I am convinced, under the current circumstances, that we will have to be here Christmas Eve, and then, of course, if the job is not done, the President is going to call us back December 26, and I think he should.

Q Could his calling you back be not necessary should the Congress continue in session?

CONGRESSMAN FORD: If the Congress continues in session, then, of course, there will not be any need. We are faced, however, under those circumstances you are alluding to, with the fact that one body cannot be in adjournment more than three days without the consent of the other.

If that was what the Leadership and the Congress would decide as an alternative to the President's proposal, I can envisage some real battles on the Hill on just how these delays and adjournment or recesses might be voted on.

Q Do you think this delay is going to throw the Voting Rights Bill over until next year?

CONGRESSMAN FORD: As I understand it, the Voting Rights Bill is at least tentatively programmed in the House on next Wednesday, Thursday and Friday. There may be some change because of the arbitrary capricious action of a little handful on the House Committee on Education because of the OEO bill. That might be substituted at this point. I can't tell.

Q Does the revenue loss under the Gore emendment, in your judgment, fall below that level the President indicated earlier that he would find unacceptable?

SENATOR SCOTT: The revenue loss under the Gore amendment is very high. As I recall the tables, it would create a deficit of \$9.3 billion in 1973. It would move progressively toward that, somewhat over \$2 billion, I believe, in the first year of its operation.

This is much more than is manageable, I would say. I don't want to say what the President would do, but I would hope it would be changed. Not only that, the Gore amendment is inequitable in that, while it gives some benefit to groups of taxpayers with very large families, it actually involves higher taxes on other groups in other categories

such as the childless couple or the couple with one child or two. They are worse off, at least under some of the other alternative provisions that have been discussed in both Houses on the Republican side.

So I think the Gore amendment is not equitable, tax-wise, in dealing fairly with all groups of taxpayers, and as you know, by eliminating certain increases in the automatic deductible allowances, it would interfere with the removal of large numbers of people from the tax rolls as contemplated by the Administration. Some five million would be removed under the Administration bill. The Gore amendment would have an impact on that, too.

THE PRESS: Thank you.

(AT 10:45 A.M. EST.)

END