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NEWS CONFERENCE

#112

AT THE WHITE HOUSE

WITH RON NESSEN

AT 1:48 P.M. MST

DECEMBER 27, 1974

FRIDAY

(Vail, Colorado)

MR. NESSEN: My plan was to go through everything else first and then devote the rest of the time to the energy meeting, if that is all right.

The President did work this morning at his residence until about 10:00 when the energy advisers arrived. You saw the advisers arrive and had photographs.

The meeting began at 10:05 and lasted until about 1:30. The President invited the energy advisers to a buffet lunch on the living room level of the house and after that buffet lunch, they will go back to work again this afternoon.

Q With the President?

MR. NESSEN: Yes.

The President has invited them to dinner at the house tonight. Before the dinner the President and Mrs. Ford will stop in briefly at a reception being given by Peter Seibert and Ted Kindel, both past directors of Vail Associates.

The President will probably stay about a half hour -- from about 7:15 to about 7:45. If you will get together with Pappy later in the afternoon, he will give you the details of the protective pool coverage of that.

Q Where is it?

MR. NESSEN: That is one thing we are trying to find out now. It is at the Kindel house, I believe.

One other small item. Mike and Gayle left this morning to visit, or spend, the rest of the Christmas holiday period visiting with Gayle's family who lives in the suburbs of Baltimore.

Q What is their name?

MR. NESSEN: Check that with Sheila. I believe it is Brumbaugh. They live in Catonsville.

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Dr. Burns will be joining the President and his advisers for tomorrow's economic meeting. He is coming tomorrow morning from Florida and will go back to Florida after the economic meeting.

Q How is he getting here, Ron?

MR. NESSEN: By commercial plane, so far as I know.

The others who came this morning will be going back tomorrow afternoon, as we said.

The President has sent a telegram to the widow of Jack Benny. Jack Benny died last night at the age of 80.

The President has signed six bills, one of which has a signing statement with it and he has also signed a budget deferral message. The total is \$909.1 million on the deferrals.

I mentioned to you yesterday that there was a total of 157 bills in various stages, some signed, some vetoed here, some awaiting decision, coming from Congress and so forth. One other bill has been found, so that makes a total of 158.

As you see, we have put out some today and will be keeping you posted as he gets through the rest of them.

Q Is it true the strip mining bill is not here?

MR. NESSEN: I haven't heard that. I will have to check.

A whole, new fresh batch was brought in this morning.

Let me say a word about the Message Center in the press room. They only have two incoming lines there, so the best way to do this is if somebody calls you through the Message Center, let the Message Center people take the number and you can call them back on your own long distance lines. The Message Center people are having some problem reading lengthy releases, and so forth, over the telephone. It takes up all their time and ties up all their telephones. So, the best way to do it would be, as I say, to let them give you the message and then use your own long distance lines to return the calls.

Q Ron, are they going to stay open after 5:30 at night now?

MR. NESSEN: I think 5:00 they close and then we have an arrangement with Western Union; leave your whereabouts with Western Union and if there are any call-outs or a need to get hold of you, we can do it through Western Union.

Q That is the first we have heard of it.

Q Would it be difficult to put a telephone in here with a number we would know, so if we wanted to call in after their hours, we could. After 5:00 we are dead.

MR. NESSEN: Why don't we have Tom DeCair work on this problem after the briefing.

Q Ron, why can't they put another telephone in over here so we can call in to find out what is going on and find out if there has been any announcements?

MR. NESSEN: Where?

Q Over here at the Message Center. If you are living on the other end of town you get on the bus and spend 40 minutes getting down here.

MR. NESSEN: You mean call the Message Center or the press office?

Q A facility to call the Message Center, to call somewhere to find out if there were any developments.

MR. NESSEN: I wasn't aware there was a big problem.

Q The problem is that after 5:00 you go out for dinner and there is no call-out procedure except through hotels. Is that the procedure you are going to follow?

MR. NESSEN: I am told you leave your name and whereabouts with Western Union, which is open until midnight or so, and if we need to get you we will get you through them.

The President, as I said, met from 10:05 until about 1:30 with the energy advisers. They are having lunch and will be back after lunch to continue the meeting.

Q How long did they meet?

MR. NESSEN: 10:05 to 1:30. This is the third meeting the President has had to formulate his national energy policy which will be announced in January. If you will recall, the first meeting was before the advisers went to Camp David, and then there was a second long meeting after they returned from Camp David, and this is the third one.

The President has received proposals for his energy policy and today looked in detail at a number of the issues which are open. There was a discussion of the impact of various energy proposals on the economy as a whole, as well as on selected segments of industry and society.

There was discussion of the timing of various energy proposals. There was a discussion of the international issues involved in an energy policy. There was a discussion of the environmental effects of some of the proposals under consideration and also environmental issues that need to be decided.

There was quite a long discussion of the international issues, as I said.

Q Are you talking about oil imports?

MR. NESSEN: Among other things. That is among the international issues. There are others.

The President requested again that there be no public discussion of the details of issues he has under consideration and I am going to have to abide by that.

The President wants to have all the parts of his energy policies thoroughly thought out before he announces his plan or has his advisers discuss it publicly.

The President will be making his final decisions in the next two or three weeks.

The energy advisers have come here with some proposals and ideas. The President has his own ideas. After the last meeting, the one that followed Camp David, the President asked the energy advisers to go back and bring in proposals which were closer to his ideas and to the instructions he had given, and that is what has happened today.

I want to make sure that there is an understanding of the format and procedure of this meeting.

It is not a question of bringing in option A, B, C, D and E, and saying, "Choose one of the above, or none of the above." There are very thorough discussions going on up there. There is not total agreement among the advisers or the President on the best way to deal with these areas. Out of this clash of ideas, the issues are being narrowed. I should say, the choices are being narrowed.

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I would say that the overwhelming impression I got of this meeting was that you could use the word "intense" and "complete". These issues are being gone into in very, very specific detail. As I say, the word "intense" is the one I thought of as I listened.

The word I heard used most often by the participants was "tough" -- the choices are tough, the issues are tough.

At one point one of the participants, while an issue was being discussed said, "This is a very tough set of choices." And at another point, commenting on one issue and the choices open to deal with that issue, the President said, "This is tough as hell."

Q Can you give us an idea as to what that was?

MR. NESSEN: I will have to stick with his wishes on this and he was firm about it.

Q Was he referring to the fact the decisions were tough, or the options would be tough in their effect?

MR. NESSEN: The issues and the choices facing him are tough.

As I said, the choices were narrowed this morning but no definitive decisions were made at this meeting this morning.

I would be happy to try to answer your questions within his instructions of not going into specific details.

Q Ron, is one of the options that the President is considering on this still open on the tariff on oil imports? You mentioned this once before in a briefing, I believe. Is that still open?

MR. NESSEN: What did you say? A tariff?

Q A tariff on oil imports?

MR. NESSEN: I am not going to be able to deal with specific issues, John.

Q You talked of that once in the past.

MR. NESSEN: I don't recall that I did talk about that in the past. I think I talked about, at one point, a voluntary limit on imports, but I won't be able to get into that detail now.

Q Yesterday you said it would be a two-hour meeting and it has now been expanded to an all-day meeting. Can you tell us why?

MR. NESSEN: The very reason I said, Walt, the issues are being discussed very completely, very intensely, and in a great amount of detail.

Q Ron, there was a report this morning that I heard that oil imports were up last month over last year. Was there any discussion on the voluntary effort and the fact this is not working?

MR. NESSEN: That was not discussed this morning.

Q So far the way this is working out, it is being done in a smoke-filled room and yet it is going to affect every American, and we are all going to have to sacrifice or make some kind of decisions ourselves. Can you give us an idea of how the President plans to present this to the American people? Is he going to present this in the State of the Union Message and Congress will then worry about it, will there be a series of messages, or how is this to be done?

MR. NESSEN: We talked about that yesterday before you arrived. At the moment the plan is to give a very specific outline of both the energy and economic plans in the State of the Union Message because they are intertwined. Then there will be a series of messages spelling out the legislation that he needs to carry out his plan.

I might say that some of what is being discussed could be carried out without legislation but will be announced in the State of the Union Message, according to the President's plan.

Q Ron, you seem to be indicating that the President and his advisers are at odds on some of these issues. Is that so and, if it is so, could you characterize the differences?

MR. NESSEN: No more than I did, Roger.

You know, I have seen stories that indicate that what is happening is that the President is given a list and is asked to choose one. That is not what is happening.

The issues are being discussed and people have different views on the issues and the President has his own views. He has given his own instructions to bring back material and proposals in line with his views and, out of this give and take discussion, proposals are being narrowed and shaped and changed.

Q You seem to be saying they were way apart at one point.

MR. NESSEN: I wouldn't say way apart. People have different ideas on how to carry out some of these ideas.

Q Ron, two questions. The thrust of the President's old, current energy program is on production. I think that is a fair statement.

If there is a greater weighting being given now to environmental protection and protection of the world's resources, could you characterize the weight being given?

MR. NESSEN: This is the same question that always comes up about which does he give more weight to, inflation or recession. I get the feeling that there is a greater public awareness of the complexity of this and you don't say, "Okay, what are we going to do, save fuel or produce more fuel."

This is going to be a comprehensive program and it is going to deal with both increasing supply and with restrictive consumption and will deal in three time frames -- the short term, which is between now and 1977; the mid-term, which is 1977 to 1985; and the long term, which is beyond 1985.

It is going to deal with the impact of the energy policy on the domestic economy, and the impact of the domestic policy on international economy and on international relations. So, I just think it is too much of an oversimplification, Grace, to say, is there more weight on environment, or supply, or distribution, or what.

Q Can you tell me how many super-tankers we now have and have under construction?

MR. NESSEN: I don't have that information at hand.

Q Can you check that?

MR. NESSEN: Yes.

Q On the subject of environmental issues, was there a heated exchange or was there sharp disagreement as to what should be done about environmental protection, environmental concerns on energy?

MR. NESSEN: That is one of the issues. Differences have been narrowed considerably in that area to the point where there was practically no clash whatever on that issue this morning.

Q Ron, Mr. Lynn was sort of a surprise visitor this morning to many of us of the press. I wonder what role he is playing in the energy discussion.

MR. NESSEN: I asked that question myself and the answer was obvious and I should have known it -- that home heating and that area which is involved in his housing department is an area that is involved in the energy policy, how to save fuel on heating homes, and that sort of thing and that was his role in today's meeting.

Q He is not here in connection with OMB?

MR. NESSEN: Does he have anything to do with OMB?

Q Ron, if the subject has been exhausted, can I ask about the CIA?

Q I would like to ask one question about the decisions in the next two or three weeks. Can you give us a little outline of how that is going to come out, where and how?

MR. NESSEN: Fran, as I have said before, the State of the Union Message at the moment is the forum for announcing the national energy policy.

Q Will they take this in sections now and make the final decisions on various areas?

MR. NESSEN: There will be more meetings between the President and the advisers before the final decisions are made.

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Q One final question. Could you tell us the philosophy behind discussing these kinds of decisions in a vacuum and not having some kind of input into it? Apparently, the President wants nobody to know anything about it until he decides what he is going to do and what he proposed to do.

MR. NESSEN: John, I don't think you can say it is a vacuum, devoid of public input. You know, the same as on the economic plan which is being drafted, the President has been talked to by -- let me say, has had the benefit of the ideas of Members of Congress, the findings of the Joint Economic Committee were mentioned in this morning's discussion.

He is aware of all the various proposals that have come out in the newspapers and consumer groups and Congressional groups, and private organizations. He does have the benefit of all of those as he makes his decisions and some of the people there this morning, as well as some of the people who will be there tomorrow, have constituencies, after all, so the ideas from the environmentalists, for instance, are reflected by Russell Train, and the interests in the financial area are reflected by Bill Simon, and so forth. He has not shut himself off from outside ideas.

Q Is he trying to shut up his advisers who, every day, come out for a gasoline tax and other things? He would like them to shut up for a while, wouldn't he?

MR. NESSEN: I think the President has made his views clear in his speech to the Business Council saying, "Don't believe anything until you hear it from me."

There has been a certain amount of public confusion about energy and economic policy and the President feels that he is drafting a comprehensive national energy policy and rather than have confusing or contradictory or inaccurate reports of what he has under consideration, he prefers to make his decisions and then announce them himself.

In addition to which, as I think I mentioned before, the very public discussion of some of these issues can have an effect on the economy or on the energy problem. People, perhaps, would do things in anticipation of a certain decision. That is another reason why he prefers to make these decisions and then announce them himself.

Q I assume, since the President has already discussed the gas tax, saying that it is about the deadest option he knows of, that this was not discussed this morning; is that right?

MR. NESSEN: I won't let you make an assumption. It was not discussed this morning.

Q You are saying it was not discussed this morning?

MR. NESSEN: That is what I thought I said. That is like saying we weren't going to have a news conference last week and you said, "Let's see, what does that mean."

Q You are not saying it won't be discussed this afternoon?

MR. NESSEN: I don't know what will be discussed this afternoon.

Q Will you be having anything on the CIA report this afternoon?

MR. NESSEN: My plan was to go back over there now and listen to the rest of this meeting and I think the best way to do it would be if we have anything else, either on the energy meeting or on any bills or other Presidential decisions, we would have a posting at 5 o'clock. Is that suitable for everyone?

On the CIA report, I talked about this to the President this morning. His plan is to read it today -- later this afternoon -- and beyond that, there is not really anything I can say about it because I think whatever we are going to say needs to await his reading of it.

Q Are you ruling out action or any comment today?

MR. NESSEN: I say, if we have anything, it would be at 5 o'clock, Helen.

Q Ron, has the President looked at it at all?

MR. NESSEN: I think he skimmed it last night.

Q Would you put out a paper this afternoon on that?

MR. NESSEN: I think there is a very low likelihood of it, but I would like to leave the 5 o'clock posting open for it, for any announcement or major action concerning the CIA report.

Q What about tomorrow?

MR. NESSEN: Dean, I think we have to wait for him to read it and see what he will do about it.

Q Actually, what was he talking about when he said he would probably have something late tomorrow, meaning today, commenting on the report, itself, or dropping the report on us, or what?

MR. NESSEN: I don't know, because he hasn't read it yet, and said he wasn't going to say anything until he read it. We have the 5:00 p.m. posting as a possibility if he is going to say anything.

Q He also said last night he was going to complete reading it last night.

MR. NESSEN: He didn't.

Q Has anyone else here on the staff read it?

MR. NESSEN: Not that I am aware of.

Q Where will the advisers be staying?

MR. NESSEN: Vail has launched a student exchange program -- they will be taken in in sort of an orphan-for-Christmas program. They will be staying in different people's houses in Vail.

Q Do you plan to brief tomorrow?

MR. NESSEN: What is tomorrow, Saturday? I feel certain we ought to after the economic meeting.

Q What about a briefing by one of the participants?

MR. NESSEN: I talked to Bill Simon about it and it is going to be difficult for him to do because the President doesn't want these matters discussed until he makes his decision, but it is a possibility. What I will do is sit down with the President and Bill and decide.

On the pictures, I think we will do the same as today -- have the pool over there at twenty of nine. The meeting tomorrow is at 9:00 -- the economic meeting -- have the people go in and take an expanded pool inside for some picture and film of the start of the meeting and then I will come down here like I have today and perhaps bring Bill with me.

If that meeting starts at 9:00, I will have to assume I won't have anything before noon, so let's say noon at the earliest tomorrow on the briefing, posting at 5:00 today.

Q Has action on the strip mining bill been discussed?

MR. NESSEN: No.

Q Do you know what the deadline is on that pocket-veto?

MR. NESSEN: I don't know. It is coming up.

Q Ron, can you clarify the description of the CIA report that has been described as 50 pages or very voluminous?

MR. NESSEN: Fifty pages.

Q Have you seen it?

MR. NESSEN: No, but I asked and he said it was 50 pages.

Q Considering the length of the meeting today, is there a chance the economic advisers will delay their departure until after tomorrow?

MR. NESSEN: I haven't heard that.

Q You think they might be delayed?

MR. NESSEN: Monday midnight on the strip mining bill.

You know, I didn't think this morning's meeting would be this lengthy and detailed, so it is hard to tell what will happen with the economic meeting.

Q How will Dr. Burns get here? Will he be coptered from Denver or will he come in to Grand Junction?

MR. NESSEN: I don't have his exact travel plans, but I expect they will be driven over from Denver.

Q Do any of these participants plan to ski while they are here?

MR. NESSEN: I don't know when they will have time to ski. They got up in Washington at 4:30 to get to Andrews at 6:00. They are not used to the altitude, so I don't expect they are in a skiing mood.

Q Will he have the economic advisers at the dinner tonight? You mentioned the energy advisers -- will he have the whole group?

MR. NESSEN: Yes.

THE PRESS: Thank you, Ron.

END

(AT 2:17 P.M. MST)