

This Copy For _____

NEWS CONFERENCE

#133

AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:25 P.M. EST

JANUARY 28, 1975

TUESDAY

MR. NESSEN: Before we start, let me say a word about something that came up yesterday.

We were talking here and somebody said, "Does the President feel that the press coverage of his economic program has been inadequate," because he talked to the broadcasters the other week about trying to explain the facts of this, and I said, "No, he does not," which is true. He feels the press has done a good job.

A couple of things did come up yesterday which sort of reminded me that I guess we all need to concentrate on this because we are throwing around a lot of numbers here and a lot of concepts. I noticed, in the early edition of the Star, there was a story which came out of yesterday's Congressional leaders' breakfast saying that the President's energy experts had proposed a plan to compromise his new oil import fee increase to ease the hardships on New England.

That was not a new compromise plan. It was in the original plan from the very beginning to give these special exceptions to New England.

I also noticed that most, or all, of the evening TV shows and some of the morning papers today indicated that the White House had raised its estimate yesterday of how much the average family's fuel costs will go up.

The fact is, it was not a new estimate. It was issued last Thursday by the FEA and was reported by Ed Cowan in last Friday's New York Times -- the same figures we gave out yesterday. Also, there was a little box in the Wall Street Journal last Friday giving the same figures and, also, the handling of the \$345. I thought I said, clearly, yesterday, that the Administration does not expect it to go to \$345. The Administration expects the average family to pay \$275 for fuel. That \$345 was what you would get if there were a ripple effect, but that, the economists here don't think there will be a ripple effect.

MORE

#133

In any case, this is not meant to be a lecture or anything else. What I am saying, really, is that it is a complex subject, and a lot of numbers that we are using everyday -- and I try to do my homework, and I don't always do it as well as I should, for which I apologize -- but I just think all of us need to concentrate on the complexity of this subject. I have said here before that I think we are both in the same business, which is, essentially, to get as much accurate information to people as possible. So, I hope we can go on doing that.

Q I had a question which was not asked yesterday and perhaps should have been. Are the figures, which you told us yesterday, \$275 to \$345 --

MR. NESSEN: No, no. It is not \$275 to \$345. It is \$275. \$275 is the figure.

Q Where does the \$345 come from?

MR. NESSEN: I said if there were a ripple effect, it would be \$345, but there is no expectation that there will be a ripple effect.

Q Ron, the question was, do the figures which we discussed yesterday in any way affect the Administration's original estimate that the cost of living would increase between 2 and 3 percent? Has there been any revision in that?

MR. NESSEN: No. If you add the numbers up, you get the \$30 billion, which is 2 percent. \$275 times 70 million households is \$19 billion 250 million. You get \$5 billion in higher government cost, both Federal, state and local; \$3 billion, which is being taken away from the companies in windfall profits over and above their increased profits from this program, \$3 billion in extra windfall profits. Those numbers add up to \$27 billion 250 million, and you add \$2 billion 750 million, which is expected to be absorbed by companies which won't be able to pass along their total higher costs, and you come up with \$30 billion.

Q Have you been able to find out where the FEA got its figure of the 10 cents a gallon with reduced consumption by 250,000 barrels a day?

MR. NESSEN: The FEA gasoline consumption estimates were based on a Bureau of Labor Statistics survey. The heating oil figures were based, also, on a Bureau of Labor Statistics survey. The natural gas figures were based on an analysis performed by the Office of Economic Impact in the FEA, and the electricity figures were based on estimates of the Office of Data from the FEA. Also, material was used from the Washington Center for Metropolitan Studies.

Q Ron, it seems to me that you told us yesterday that the \$30 billion was based on \$345, not \$275.

MR. NESSEN: I don't think so. I will have to look it up.

Q You used the word "highest," meaning the \$345.

MR. NESSEN: There is a perfect example of my not doing my homework, for which I apologize.

Q You told us a different story this morning.

MR. NESSEN: As I said, I have not kept up with the figures.

Q It is \$275?

MR. NESSEN: That is correct, because there is no expectation that it would go to \$345.

Q Ron, let me not ask a question but make a comment based on your mildly worded --

MR. NESSEN: Let me say, again, that the \$345 figure and the fact that it was not anticipated, as well as the \$275 figure, which is \$25 above the previous estimate, are figures put out last Thursday by the FEA and not a higher estimate issued yesterday by the White House.

Q It is a higher estimate, but it was issued last Thursday?

MR. NESSEN: IRS or FEA?

Q You are saying it is not a higher estimate put out yesterday, it is a higher estimate put out --

MR. NESSEN: It is a \$25 higher estimate put out last week and explained last Thursday.

Q I want to understand this now. You are saying that it is not going to \$345, but it could go to \$345 if there is a ripple effect, but you don't expect a ripple effect.

MR. NESSEN: If there is a ripple effect -- but nobody expects a ripple effect.

Q Ron, can you explain why -- when five economists before the Joint Economic Committee, including two conservatives, say that it will be higher than 3 percent, which would conform with that \$345 figure -- can you explain why it is the Administration's economists are so insistent there won't be a ripple effect?

MR. NESSEN: Only on past experience, Eileen. The most recent and comparable past experience was the sharp rise in imported oil prices that has taken place in the past couple of years. Based on how that money was passed through, they have come to that conclusion.

Q Ron, the Library of Congress used that same period of time as a model, ran the same figures through, and came out with the ripple effect totaling \$50.3 billion.

MR. NESSEN: As I understand it, the Library of Congress added in a couple of elements, including the anticipated higher wages. I am told that the Library of Congress did not take into account that a fair amount of natural gas and coal is committed on long-term contracts at fixed prices and would not be able to go up in the way that their calculations show it would.

Q But the Library of Congress does dispute the contention that Mr. Seidman gave us here and that you are repeating now; that is, that the economy of recent experience, which you are using as a model, does not indicate a ripple. They say it does, and most of the economists who have appeared before the Joint Economic Committee agree that it does.

MR. NESSEN: This is the best calculation that the economists here have made, and they have looked at the Library of Congress' figures and feel that, for these and other reasons, they are not correct.

Q Ron, you are advising us here to be careful, yet you say when somebody says it is from \$275 to \$345, it is \$275, isn't it conceivable that, in fact, there will be a ripple effect, but that it won't be as much as the outer limits and that, in fact, what we are talking about is a range -- \$275 if there is no ripple effect and \$345 if there is the maximum -- but there is no magic about it. It could be anything within there, couldn't it?

MR. NESSEN: What the FEA said last week and what we said yesterday is that there is no ripple effect foreseen, partly because of the state of the economy and other things. Also, I think one thing that we ought to get clear is what a ripple effect is.

Q Why did they bother to put out the \$345 figure and put it in the fact sheet? If you don't foresee something and you really don't think it is going to happen, why talk about it at all?

MR. NESSEN: I suppose because other people were talking about it, but I don't know specifically the --

MR. HUSHEN: It was in answer to a question.

MR. NESSEN: It was in answer to a question.

Q Didn't you say that the \$345 was in the fact sheet as put out by the White House?

MR. CARLSON: No, it is not in the fact sheet. It was released in a press packet at a FEA briefing last Thursday.

MR. NESSEN: I think one thing we ought to think about is what does ripple effect mean. I think that some people believe it means -- there is the direct cost of a higher energy tax, and that means your gasoline goes up and your heating oil and so forth, too. Then there are indirect costs, that if you buy a product that contains petroleum, the product will go up by the same amount or sometimes less than the increased cost of the petroleum.

Some people think that is the ripple effect. The ripple effect is -- I think we talked about it here before -- if a company's petroleum cost goes up by say \$1 a product, instead of adding \$1 to the cost of that product it would add \$1.10 or \$1.50 or whatever.

The 10 or the 50 cents would be the ripple effect. Because of the state of the economy and for competitive reasons, the economists here don't believe it will happen.

Q Why, when you define that, do you always narrow it down to petroleum-based products rather than any product at all that requires equipment or manufacturing processes that use extensive petroleum or fuel to run the equipment? It does not have to be making something that includes petroleum in the product. Do you understand what I am saying?

MR. NESSEN: I understand what you are saying.

Q Everybody's cost of doing business and manufacturing anything --

MR. NESSEN: But they would pass on their increase by no more than the total cost of the increase. They would not add anything extra on.

Let's say you are a cab company and your gasoline goes up \$1 million a year. You would not tack \$1 million on to your fares; in fact, you would probably not tack on as much as \$1 million on to your fares.

Q The cab driver still has to pay for the gas for his own car, which is going up, so he is going to want a wage increase to account for that. So, he is going to ask for more money from the cab company. There is going to be the pressure for the ripple in that way.

MR. NESSEN: As I say, because of the state of the economy, it is not anticipated that there will be any more than a maximum of a direct passthrough and probably less than a direct passthrough.

Q Ron, I have two questions on the per gallon price. Do you have any quarrel with the news report saying that the White House has raised its estimate of the impact from 10 cents a gallon to 12 or 13 cents a gallon.

MR. NESSEN: The only argument is in the sense that the original 10 cent figure was an average per gallon increase for all fuel. As we said, if gas goes up 12 or 13 cents, then you could assume that other fuels would go up less, but the average remains 10 cents.

It may be loaded on to the gasoline and, therefore, other fuels would go up less. That is my only argument.

Q The second part of the question is the FEA, when it computed its direct cost of \$171 -- and that has not really ever been changed --

MR. NESSEN: That is correct.

Q -- it is the indirect cost of either \$104 or possibly as high as \$174, you said.

MR. NESSEN: Yes.

Q That the \$171 they computed by figuring gasoline at 10 cents a gallon higher, not 12 or 13 cents a gallon higher.

MR. NESSEN: They figured all fuel as an average of 10 cents, Ted, but in some regions gas is going to go up more and in some regions it is going to go up less. In some regions natural gas will go up more and in other regions less, and the same with heating oil and residual fuels. But the national average will be 10 cents a gallon for all fuels.

Q Ron, you were asked yesterday, and you said you would look it up, whether the President was told about revised figures by the economists on the economy on the GNP.

MR. NESSEN: Yes. The meeting is just over now.

Why don't I go through my announcements and then we will cover some of this stuff, but I do have the answer to that question.

As you know, the President went over at 8 o'clock to the National Religious Broadcasters Annual Congressional Breakfast at the Washington Hilton and spoke there, and I suppose you know what he said. We had copies of his prepared remarks, and we should have his as delivered remarks available either now or shortly.

Then he came back here and had his meeting with the bipartisan Congressional leaders.

Do you have a list of participants?

Q Yes.

MR. NESSEN: Do you want me to tell you a little bit about what happened there?

The President started off saying, "I have taken some pretty abrupt action, not because I want confrontation but because I believe the time for action is now. I am more than willing to cooperate. I am willing to meet with the Democratic leaders. I believe there are more grounds for agreement than disagreement. I think we should have a reasonable discussion and dialogue. We can discuss the details, but we need action."

Then Al Ullman spoke and said, "Congress does have an obligation to come up with a reasonable, full energy program if we block your tariff increase. If Congress and the Executive get into a hassle, this country will suffer."

Then Herman Schneebeli, who is the ranking Republican on Ways and Means, said, "All the economists that the Ways and Means Committee talked to agree that Ullman and the Administration are going in the same direction and in the right direction."

I must say here that they were talking about the tax cut, the anti-recession tax cut at that point, and not the energy program.

Then the President came in at that point and said, "There is a high degree of understanding and agreement that the economic package is going to move." Then he said, "Let me take a moment to talk about the energy program."

He ran through these special arrangements that have been made to benefit New England, and he said that there were going to be discussions of special help for Hawaii, which also may have a special problem.

Q What is that special problem?

MR. NESSEN: Frankly, I am not clear on it, Ralph.

Then the President said -- and now they are talking about the energy program -- "We are trying to be reasonable. We will work with you, Al," -- meaning Al Ullman -- "Mike, Carroll."

Then he said, "Let me paint the worst picture. If we don't take action and we have another oil embargo, the public will blame all of us. We have to act, but I have some flexibility."

Then Ullman said, "Let's not have a confrontation. It would be a grave error to have a confrontation. It would destroy all our efforts."

Then Mike Mansfield said, "The last thing we can afford is a confrontation." Then he commended the President for the Monday night TV speech from the library and the State of the Union, and he said, "At least you offered the country something. I find no fault in your stepping out and taking action. We need it."

Then the President replied, "So far as cooperation is concerned, you will get it to the best of our ability. There will be differences, but we are ready to help you."

Then Senator Robert Byrd said, "Will you veto a delay in your tariffs if it is tied to the debt ceiling increase?"

The President said, "I don't think it is wise for the President to make prior commitments. I hope I don't have to do it. I think there is another way. I hope some of us can sit down and come up with a better solution."

That was the end of the meeting. The President stood up rather quickly and everybody slid back in their chairs and several people said, "Good idea" at the same time, and that was the end of it.

Q Which Democrat told the President that the Democrats do not have a program but they might come up with one soon?

MR. NESSEN: Al Ullman said, "We will come up with an energy package," at one point.

Q Ron, Al Ullman suggested outside that if the President agreed to a 90-day delay in the tariffs, the Democrats could assure him of enacting an energy program within 90 days.

MR. NESSEN: There were no precise proposals made for a compromise, and my impression was that when the President said, "I hope some of us can sit down and come up with a better solution," he was pointing in the direction of a compromise, but no details were spelled out.

Q Ron, on the basis of that last remark that you just referred to again, does the President intend to sit down with some of the leaders and specifically offer something here to untie the debt ceiling from this tariff delay or is this just a remark made in the spirit of conciliation?

MR. NESSEN: No, no. It was a serious remark, but I don't think at the moment we can tell what a compromise might be because there is really nothing to compromise with. I mean, the President has a program and the people who are opposed to his program don't have anything to offer that would permit a compromise between the two positions.

Q If I follow that, is he going to wait until they come to him with some kind of a program and sit down and try to broker it, or is he going to go and make some proposal?

MR. NESSEN: The President intends to go ahead with the action he has taken, which is the proclamation increasing the fees, but he is ready to sit down and find another solution as soon as there is something to talk about.

Q Are you suggesting that the Democrats have until the debt ceiling-oil import bill comes to the White House for his signature to come up with something that is at least a little bit concrete as to what their alternative program is?

MR. NESSEN: I think he would hope that it would not come at all in that form, Eileen, that there would be an opportunity to work out something before a bill of that kind got here.

Q Ron, in fact, Ullman said it is coming here and even though they would not have enough votes to override a veto if the President chose that course, he will get that bill in the form it is in now tied to the debt ceiling, and compromise, in his use of the word, means the President delaying 90 days.

Now, are we quoting you correctly that the President is not going to delay 90 days and, therefore, despite all the talk and compromise we have the confrontation?

MR. NESSEN: The President says there is a better way than coming up to that point of sending the two measures tied together.

Q What is the better way?

MR. NESSEN: That is what they have to sit down and work on. The President has decided that he will not go for a 90-day delay.

Q Then he will veto that bill when it gets here?

MR. NESSEN: It is a long way from getting here.

Q If the bill comes here, the President will veto it. He will not delay 90 days?

MR. NESSEN: As the President said, he does not want to make a commitment, but as I said yesterday, veto has not been ruled out, and he hopes that it will not get here in that form.

Q Mr. Ullman said that it would get here in that form in three weeks, Ron. Three weeks.

MR. NESSEN: You know, we still have a system here where you have to take a vote.

Q Ron, how about a lower amount rather than \$3 a barrel, say lowering it to \$2. Senator Scott suggested that type of compromise yesterday.

MR. NESSEN: I don't think he really did suggest that kind of compromise. I think what he was referring to was that if the Congress will pass the program, the fee on imports would go down to \$2 and this is what the President has been pushing on, to get the whole program into effect so the people will get their tax cuts and so forth.

I think since the President has invited the leaders to sit down with him and work out a compromise, that it would be better not to speculate on what it might be.

Q Ron, are you quoted correctly here that the President intends to go ahead with the proclamation on import fees?

MR. NESSEN: At the moment, he certainly does.

Q To follow that, my notes show you saying that if it comes here in that form he will veto it.

Q That is what I have. Did you mean to say that?

MR. NESSEN: I certainly didn't because the President himself would not take that position when asked that by Senator Byrd. He said he did not want to make a commitment. I think he said that we have not closed the door on a veto or something like that. We have not ruled out a veto.

Q May I ask a question on this because there is something that is not very clear.

Mr. Ullman made it perfectly clear in the driveway that his idea of a compromise is for the President to back off and wait 90 days.

If that is Ullman's position and if the President's position is that he does not want them tied together and he has not ruled out a veto, we can talk about conciliation until we are blue in the face, but we still have the makings of a very serious confrontation.

MR. NESSEN: I think there was the invitation to sit down and work out a proposition. The President does not want to delay 90 days. He does not think the situation needs to reach the point where that bill comes here.

Let me just add something that does not come out of these quotes.

As you see, there was a good deal of talk this morning about no confrontation and the need to compromise on both sides. The mood of the meeting suggested to me that there certainly was a desire on both sides to avoid a confrontation.

Q What about a 60-day delay or 45-day delay?

MR. NESSEN: As I say, I think it would just be silly to sit here and speculate on a compromise when the President has invited them to sit down and work out a compromise.

Q Without putting any number of days on it, you keep repeating that he does not want to delay 90 days. Is that an indication that he would agree to some kind of undefined delay as part of the compromise? Otherwise, we don't quite know what it is that is being compromised.

MR. NESSEN: The President does not want anything that would prevent the \$1 tax from going into effect on February 1.

Q Don't we have a confrontation in view of what Ullman told us in the driveway? Ullman said, "My idea of a compromise is that we delay it 90 days."

MORE

Q And to add to that, Ron, he said, "And if we do not come up with anything in 90 days, as far as an energy program from the Congress," then his tariff would go into effect, and he would have his energy program.

MR. NESSEN: He told that to the President this morning.

Well, as I say, I think you have all the makings here of both sides anxious to avoid a confrontation and both sides anxious to sit down and work out a compromise and the President specifically inviting that.

The mood of the meeting was such that I think it could be done. For the President's part, he wants the dollar to go on February 1, and he does not believe in a 90-day delay. Now, I think within those perimeters there is room for a compromise.

Q On a non-negotiable item then, the \$1 a barrel on February 1, that is not negotiable, but after that anything could be negotiable?

MR. NESSEN: John, I just don't think I should negotiate a compromise out here. I think the President needs to do it with the leaders of Congress.

Q You said the perimeters?

MR. NESSEN: Well, I am saying that those are some of the things that the President wants. Now whether that is the total limit or there are more or less, I don't know. I am just saying those are two things he would not agree to.

Q But he is insisting on at least the \$1 on February 1?

MR. NESSEN: That is correct.

Q He is insisting on that?

MR. NESSEN: Yes.

Q What is the other thing? You said there were two things.

MR. NESSEN: That he would not want a 90-day delay.

Q Ron, since the President raised the subject of another Arab oil embargo, is that a concern of his in not wanting a 90-day delay, that remote possibility?

MR. NESSEN: I don't think it is so much the remote possibility of an Arab embargo within 90 days, Tom. I think it is the whole aim of the program to make the United States invulnerable to an embargo anywhere down the line. One of the reasons he is anxious to start is to get started making the United States invulnerable to an embargo. I didn't get any sense that he was saying there would be one within 90 days.

Q Ron, could we backtrack just one minute before you go on?

MR. NESSEN: Yes.

Q I believe you said, at the very start of this, the President has decided that he will not go for a 90-day delay?

MR. NESSEN: Yes.

Q You were asked "Would he veto it?" And you said, "If it comes here."

MR. NESSEN: No, no. I don't think so. Let me straighten out then the veto question.

Q You said he will not go for a delay.

MR. NESSEN: Let me say, clearly, on a veto of that kind of bill, if it got here, the President said -- and I am going to say the same thing -- that he does not want to commit himself on a veto of that bill -- and repeat what I said yesterday, which is that he has not ruled out a veto of that bill.

If I did say before that he would veto it in that form, I would rather correct that and leave it with this: (1) that the President told them that he would not commit himself, (2) that a veto has not been ruled out. That is the answer to that question.

Q Senator Byrd used the words "his feet aren't set in concrete." Were those the President's words?

MR. NESSEN: Senator Byrd's or --

Q Senator Byrd used those words.

MR. NESSEN: The President said that?

Q Were those the President's words, or was that just Byrd's interpretation of them?

MR. NESSEN: I think that is probably Byrd's interpretation. I didn't hear the President use those words in applying it to himself.

Dick.

Q Ron, on the \$1 to go on February 1 and the no 90-day delay, do you mean the President is inflexible on those, or everything is open?

MR. NESSEN: No, those are two things that he believes really need to be done. I am not saying that those are the limits of what he thinks needs to be done, but those are two things that he is fairly insistent upon.

Q Is there any change in his mood, that rationing would be unacceptable?

MR. NESSEN: Oh, no, no change in that.

Q Ron, since we had this misunderstanding yesterday, am I paraphrasing you correctly when you said, I thought you said, that one reason the President thinks he will get more support from the public is that people will slowly realize, or eventually realize, that the hassle over the oil embargo, or the oil tariffs, is slowing up action on their tax cuts?

MR. NESSEN: Yes.

Q Are we talking about the rebates?

MR. NESSEN: I was talking about both programs then because actually, the one-time only antirecession tax rebate has been delayed in the Ways and Means Committee while they worked on this program and, then, the entire permanent tax cut will be delayed, obviously, as long as there is an effort to stop the energy program.

Q Mr. Ullman says Congress will enact this month legislation on the tax rebate. Is that acceptable to the White House?

MR. NESSEN: Oh, the President believes that is needed as soon as possible. As I said, I think Mr. Schneebeli told the President that all the economists the committee had heard had agreed with Ullman and the Administration that they are moving in the right direction and should move quickly on that.

Q Is he satisfied with the action on the 1974 rebate? That is not a primary quarrel here?

MR. NESSEN: No, there is general agreement that that is going to move fast.

Q 1975 cuts?

MR. NESSEN: Well, it has been delayed already, but now it seems to be moving again.

Q Ron, prior to the discussion on the economic situation, there was a discussion about the Vietnam appropriation. What is the President's response to the Democrats who say they cannot control their freshmen or their Members?

MR. NESSEN: The President did not make any response to that.

Do you mean at this meeting this morning?

Q Yes.

MR. NESSEN: He didn't say anything about that.

Q Senator Byrd said that this request for \$300 million for Vietnam and \$200 million for Cambodia was going up today. Do you have an announcement on that?

MR. NESSEN: I think we are probably going to have something later in the day on that.

Q Ron, I would like to go back to the meeting with the leadership for a minute.

Q Will we have a message or statement?

MR. NESSEN: I think we will have a message later.

Q Let's go back to the meeting with the leadership. What do you think the background is for all this talk of compromise that took place this morning? Is the President concerned about the large number of news stories that have dealt with the imminent confrontation? Is he concerned that the public is getting an impression of a legislative stalemate here, or is he concerned that this is going to hold up the rebate? What are the motives, in other words, for this talk of a compromise?

MR. NESSEN: I think there are a number of motives, Jim. The President believes his program is the right program and ought to be passed as it is. He said from the very beginning that there could be discussion of details and so forth, and he still feels the same way. We have not really moved very much beyond that. I don't think it has really changed from the beginning.

Q If the man thinks his program is right and ought to be passed as it is, why does he talk about compromise?

MR. NESSEN: Because when he talks about compromise, he is not talking about basic changes in what he is proposing. He said from the beginning he is willing to talk about details, and he said it again this morning.

Q The specific question is, is he concerned about the impression that has been created in the past few days of a stalemate or of a confrontation.

MR. NESSEN: The only terms I have heard him talk about that are in that--as you know, I have relayed to you that he thinks that these issues are too important to deal with with these kinds of tactics of hooking bills together. He has talked about the idea that Congress' first reaction to his program was to try to stop it, which he does not think is the right approach.

Q In other words, you are not going to answer my question.

MR. NESSEN: Back to the schedule.

At 11:30 the President did hold his weekly economic review, Pete, with Bill Simon, Bill Seidman, Alan Greenspan, Roy Ash, Arthur Burns and Frank Zarb. As they do every week, they gave the President their current estimates and forecasts for the economy and the outlook for the near term on the economy.

Bill Seidman, at that meeting, talked about a paper he is putting together, which we will give you as soon as it is ready, concerning the special difficulties for certain industries and institutions from the higher energy costs and what special steps will be taken to alleviate those difficulties.

Q When will that be available?

MR. NESSEN: As soon as he puts it together?

Q Not today?

MR. NESSEN: No, I don't expect it. Those are things like the airlines and the nonprofit hospitals and the things we have talked about before.

Secretary Simon, at that meeting, gave a report on some of the economic issues which will be discussed later this week when the President meets with Prime Minister Wilson.

About 20 minutes ago, the President had a brief meeting with Senor Felipe Benavides of Peru. He is the recipient of the J. Paul Getty prize in International Conservation. Vice President Rockefeller earlier this morning presented him with a scroll representing this award.

At 2 o'clock the President is going to meet with Charles Goodell, together with Jack Marsh and Phil Buchen, to talk about the possibility of extending the deadline for the clemency program beyond its expiration on the 31st. I expect that we will not have a decision today, but they will discuss it.

Then at 3 o'clock Secretary Schlesinger is coming in. He normally meets with the President about once every two weeks to discuss general Defense Department matters.

At 4 o'clock the President will meet with Senators Pastore and Baker, who are Members of the Joint Atomic Energy Committee, to discuss some aspects of the nuclear weapons program.

We are announcing the President's intention to nominate Robert J. McCloskey, who is now the Ambassador-at-Large at the State Department, to take on, in addition to that post, the job of Assistant Secretary of State for Congressional Affairs. He succeeds Linwood Holton, who is resigning.

Bob McCloskey, most of you know, was Ambassador to Cyprus in 1973. In 1974 he was appointed Ambassador-at-Large. He will continue to serve as Ambassador-at-Large. About a year ago he was also named as a Foreign Service officer, Career Minister. I think we have handed out copies of that statement.

Also, we have a statement, which you probably have, of the President's statement on the tenth anniversary of the Job Corps.

Secretary Kissinger held a news conference at noon, and for those of you who would like to hear it, we will pipe it in here at 3 o'clock on tape, if any of you have that interest in hearing it. We will do it anyhow, whether you want to listen or not.

We have a trip to announce today. We are going to Atlanta next Monday afternoon, February 3. The President is flying to participate in several events. He will stay overnight on the 3rd and have some events on the 4th and fly back here Tuesday evening.

The schedule is not complete yet, but let me give you some of the events we have already.

On Monday, the day he goes down there, he will deliver the closing address at the White House Field Conference on Economic and Domestic Affairs. This is one of a series of about 20 meetings sponsored by the White House Public Liaison Office, Bill Baroody's operation, that will be held throughout the country in 1975.

I think that some of you may remember that the President attended one of these in Portland last fall. This group is cosponsored by 15 Georgia organizations representing business, labor, women's groups, minority groups and publishers. He will speak at that meeting on his energy and economic programs.

Q What time is that?

MR. NESSEN: I don't have the complete schedule, but it will be Monday evening, Ralph.

Q Thank you.

MR. NESSEN: The purpose of this meeting and the other meetings is to develop a better exchange of ideas between the Federal Government and the people, and for the government officials to get a better idea of what people around the country are concerned about.

Then, after staying overnight in Atlanta, at noon on Tuesday he will speak to the Annual Conference of the Opportunities Industrialization Centers of America. This is a group that offers job training and placement to disadvantaged people.

I think some of you may remember he went up and made a similar visit to an OIC project in Philadelphia when he was Vice President. He will have more events there, but they are not locked up yet and we will give them to you as they are.

I hope on Friday that we will have a bible for the whole trip.

Q When will he come back, Ron?

MR. NESSEN: Tuesday evening he will be coming back.

Q What time is he leaving on Monday, just roughly?

MR. NESSEN: I would say mid to late afternoon.

Q When you say Tuesday evening, do you mean after dark?

MR. NESSEN: Yes. I think by definition evening is after dark.

Q The other Ron said evening was 4 o'clock.

MR. NESSEN: No. I think we will be back in the evening.

Q There is a Wall Street outfit that is announcing he is going to New York on the 13th of February to address a meeting honoring Rockefeller. Are you going to verify that today, too?

MR. NESSEN: No. There has been some consideration given to that, but no decision has been made.

Q How about Snowbird, Utah?

MR. NESSEN: What is happening there?

Q Another White House conference.

MR. NESSEN: Didn't you get enough of Vail?
(Laughter)

That is the only one I have to announce today, and I frankly have not heard that one.

Q Can we go back to the economic thing? What did Greenspan say? Did Greenspan give him some of the bad news on some of the trends -- unemployment and GNP dropping further than was anticipated?

MR. NESSEN: Well, I don't know about further than was anticipated. Greenspan did tell him that there will be another drop in the GNP in the first quarter.

Q The point of the thing is that this was already projected, but new revisions were made, and the revisions say it will drop further than originally expected.

MR. NESSEN: I don't know what the projection is now, Pete, but I do know that he has told the President that, prior to this morning. The new figures -- that he gave to the President prior to this morning.

Q How about the unemployment rate?

MR. NESSEN: The unemployment rate, he will also tell the President that it will go higher.

Q Beyond 8 percent? As much as 8.6 percent?

MR. NESSEN: No, not that high.

Q Could you get the figure for us?

MR. NESSEN: Yes. I asked for it last night, and he did not have an accurate projection.

Q Beyond 8 percent?

MR. NESSEN: About 8 percent --

Q Ron, I want to go back to the Vietnam thing.

MR. NESSEN: -- before it starts down again.

Q You have a new high?

MR. NESSEN: I did not say that Greenspan is going to tell him it is going to go above 8 percent. I said he is going to tell him it is going to go to about 8 percent.

Q Do you have a month or a quarter?

MR. NESSEN: Al is sticking to his projection that it would be about midyear before it peaks out.

THE PRESS: Thank you, Ron.

END (AT 1:19 P.M. EST)

#133