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NEWS CONFERENCE

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:06 P.M. EST

FEBRUARY 20, 1975

THURSDAY

MR. NESSEN: The President began his morning with a breakfast in the residence at 7:30 a.m. for the bipartisan leaders of Congress, Senate and House. I think you have a list of the participants. The breakfast lasted an hour and a half, and the primary purpose was for Dr. Kissinger to give a report on his trip to the Middle East.

The President meets at 12:30 p.m. today with Lynn Townsend, the Chairman of the Board of Chrysler Corporation. Mr. Townsend was in town for the Business Council meetings this week. The reason he is coming in is that he is the only Board Chairman of a major auto company who has not met privately with the President, so, today, he is taking that opportunity. The topics of the discussion are expected to be the economy and economic programs, especially, as they relate to the auto industry.

Q Is he seeking any Federal financial aid for Chrysler?

MR. NESSEN: I am told that that is not a purpose of the meeting.

At 2 o'clock this afternoon, the President will meet in the Oval Office with Vice President Rockefeller. This is, as you know, a routine visit, now a weekly meeting between the President and the Vice President.

At 8 o'clock this evening, the President and Mrs. Ford will be the hosts at a black tie dinner in honor of the Governors, who are having their meeting in Washington this week, and the Governors' wives. Vice President and Mrs. Rockefeller will also be there.

Detailed questions on coverage arrangements can be worked out with Bill Roberts and Sheila Weidenfeld. The arrivals will be at 8:10 p.m., and that is for open coverage. There also will be pool coverage of the toasts, I think, and also, the toasts will be piped back here. We also will have a transcript of the toasts available. There will be dancing after dinner, and there will be press pool coverage of the dancing, although no photographs of the dancing.

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Q Ron, won't there be toasts piped in to the theater?

MR. NESSEN: Yes.

Q Who is going to be giving the toast in response to the President?

MR. NESSEN: I guess -- Kit Bond is the Chairman, and I suspect that he will be giving the toast.

Q Kit Bond is the Chairman of the Republican Governors.

MR. NESSEN: Who is the Chairman of this?

Q Calvin Rampton.

MR. NESSEN: I am sorry; I said something wrong.

Let me see what I find here. Mike Carney is the orchestra. After dessert, Governor Rampton of Utah, the Chairman of the National Governors Conference, will respond to the toast.

Q How many are invited?

MR. NESSEN: Do you mean how many Governors? It is in honor of the Governors, but there will be some others there. There are all the Governors and, then you will have Vice President and Mrs. Rockefeller, the Ambassador of Argentina, Schlesinger, Lynn, Hartmann, Rumsfeld, Nessen, Seidman, Cole, Cavanaugh, Falk, Cannon, Miss Pearl Bailey, Susan Byrne --

Q She is not performing, though, is she?

MR. NESSEN: No, she isn't. There is no entertainment.

-- Tom Harmon, who is identified as a former football star, Mr. Roger Mudd of CBS, Miss Barbara Walters, and that is about it.

MR. HUSHEN: No, there is another page.

MR. NESSEN: Oh, yes, here is another page. Also, Bill Anders, Gwen Anderson, the ACTION Director, the Commissioner of Education, Mr. John Carlson --

Q Is this the list of dinner guests or after dinner guests?

MR. NESSEN: The ones I just started on, starting with Bill Anders, are the after dinner guests.

-- Red Cavaney, Jim Connor --

Q Bull Connor?

MR. NESSEN: Jim Connor. He is not making it up to this one.

-- and so forth and so on. We will put this out.

Q Is Wallace coming?

MR. NESSEN: He is on the list -- the Governor of Alabama and Mrs. Wallace.

Q When will we get that list because there were a number of Governors who didn't show.

MR. NESSEN: You can have it immediately, I guess. Sheila Weidenfeld is putting it out.

You have already gotten a packet of material, which includes the following items: the nomination of Don Brotzman of Boulder, Colorado, to be the Assistant Secretary of the Army for Manpower and Reserve Affairs; the appointment of Willie L. Leftwich to be a member of the District of Columbia Judicial Nomination Commission; the appointment of Kieran O'Doherty of Hampton Bays, New York, to be a Commissioner of the Postal Rate Commission; the appointment of seven persons to be members of the Advisory Committee to the Pension Benefit Guaranty Corporation; a letter from the President to the Speaker of the House and the President of the Senate transmitting draft legislation to authorize appropriations between July 1, 1976, and September 30, 1976 -- as you know, the Government's fiscal year is being changed now, and this is legislation needed to put that into effect -- we have, also, the Fifth Report to Congress pursuant to the Jackson-Nunn Amendment, which deals with NATO, as some of you know, and a proclamation designating June 29 as National Safe Boating Week. That is for Russ Ward. Is Russ here?

Q Safely.

MR. NESSEN: Then, we are, also, announcing that tomorrow at 2:30 p.m., the President will meet with his Excellency Eric Williams, the Prime Minister of Trinidad and Tobago. Prime Minister Williams is in the United States on a private visit, and the President invited him to come to Washington in order to have an opportunity to meet, first of all, and to discuss subjects of mutual interest.

Q Ron, on some matters you passed, I have two unrelated questions. What is the salary, first, of Kieran O'Doherty?

MR. NESSEN: \$38,000.

Q The other question, can you give us any agenda, or anything, on the meeting with the Vice President?

MR. NESSEN: No. There is not an agenda, actually. They just discuss whatever they need to discuss.

Q Do you have any idea now what they might need to discuss at 2 o'clock this afternoon?

MR. NESSEN: I don't.

Q Will they extend the life of the CIA Commission?

MR. NESSEN: Why would that be needed, Helen?

Q Because Rockefeller says he needs more time.

MR. NESSEN: No, I think not. I talked to Vice President Rockefeller the other day, after I saw that on television, and he said that the film clip was not complete. That, what he said was, "I am sure we can finish our work within the period of time. If, for some reason, we want to follow up a particular point and it takes more time, we, of course, would ask for it, but I believe we can finish within the allotted time."

Q Can you give us a report on the Kissinger briefing.

MR. NESSEN: To the bipartisan leadership? I have a little.

The President wanted Secretary Kissinger to share with the Congressional leaders the results of his trip. The President wanted the members to know that the context of the trip was that, in the President's view -- you heard him speak of the gravity of the situation in the Middle East and what he believes to be the necessity of progress towards peace and of his determination to help bring about peace in the Middle East.

It is not going to be possible for me to talk in great detail about the substance of what the Secretary reported to the leaders, or, in fact, on the substance of the trip. Secretary Kissinger will, within a short period of time, be having a public news conference.

The Secretary did tell the members that his trip was an exploratory one. It was not a trip designed to conduct or conclude a negotiation or an agreement. He told the members that it was not a trip during which he made any specific suggestions or proposals. He told the leadership that he felt the trip was essential because of the many events in the past months that he thought the United States needed a clearer idea of what the different parties have in mind concerning negotiations, what are the prospects, what are the problems and what the United States can do to help.

The Secretary was able to accomplish that on his trip, and he shared his findings with the leaders of Congress this morning. The Secretary also discussed his next trip to that area, which is scheduled for March, and on that trip, he explained, the trip is expected to include concrete negotiations.

Q Did he talk about a defense treaty with Israel?

MR. NESSEN: That did not come up today, Bob.

Q What did he say on Geneva?

MR. NESSEN: I am just not going to be able to go into the details of his report, Helen.

Q Is it because he is going to hold a news conference that you cannot go into the details?

MR. NESSEN: I think I will just stay with the report I have given?

Q Ron, when is the veto message likely on the suspension of the increased oil tariff?

MR. NESSEN: There is not any legislation here yet for the President to veto. We'll just wait until it comes.

Q Ron, in that connection, has the President asked this group of Congressmen, who are going to Vietnam, to delay their trip until the vote on the overriding of his veto?

MR. NESSEN: There was no discussion of Vietnam or the delegation this morning.

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Q I was not talking about the breakfast meeting.

MR. NESSEN: Oh, in general?

Q Yes. What is his attitude towards that?

MR. NESSEN: As I have tried to indicate before, this is something that came up once before at a breakfast, and the President sort of indicated his interest in a delegation going. That is being worked out between State and the leaders of Congress, and he does not really have any role.

Q Ron, has that trip been cancelled? That is the implication in some comments.

MR. NESSEN: I have heard no indication that it has been, but again, the White House is not involved in it.

Q Ron, concerning the 66-28 margin yesterday, you said yesterday you were not going to speculate about vote counting, but is the President hopeful that his veto could be sustained?

MR. NESSEN: Yes.

Q Ron, if the White House is not involved in this, who is? It initiated from the White House, didn't it?

MR. NESSEN: No, it was not initiated here. The President expressed interest one morning at breakfast, and then some of the Members said they would be interested in going, and after that it became a matter for the State Department and the leadership to work out.

Q Ron, does the President want the group to go?

MR. NESSEN: He still has the same interest he had before, Gaylord.

Q Which is?

MR. NESSEN: To go and take a look.

Q Does he just sort of keep hands off of State Department matters? Is that what you are telling us?

MR. NESSEN: He won't get into the --

Q I mean, that is certainly the impression you left.

MR. NESSEN: No, it isn't, Bob.

Q That is over at the State Department, that we wouldn't have anything to do with it?

MR. NESSEN: No, I said the arrangements --

Q You could talk to Henry --

MR. NESSEN: The President has an interest in Members of Congress going if Members of Congress want to go, and that is the way it has always been from the beginning. As we said before, he thinks they ought to go and get a first-hand look and judge for themselves the future course in Vietnam and what help they might need.

The President does understand that -- well, to answer your question specifically, Bob, obviously the President does not get involved in day to day things like arranging a trip like this.

Q Who is going to pay for this trip? It is not a Congressional committee trip. It is not a Congressional trip.

MR. NESSEN: I said one day last week, Sarah, that the details of who pays and so forth have not been worked out yet, but again, that is something you could ask the State Department.

Q Yes, but obviously somebody has to pay for it other than the Congress. Is it going to be the White House or the State Department?

MR. NESSEN: I think I said last week the delegation will go in the White House plane or one of the planes at Andrews which is assigned to the fleet.

Q And you think the President is not interested in this at all, then?

MR. NESSEN: No, I didn't say that. I said he is very much interested in having a delegation visit Vietnam.

Q Ron, Scott has held off naming any Republican participants and does not want them to go at this time. Do you mean he has not talked to Ford about it at all?

MR. NESSEN: Helen, the situation has not really changed since the very first day we talked about this, which is that the President is very much interested in a delegation going to Vietnam if the Members of Congress want to go. The details of going are being worked out between the State Department and the leaders.

Q Ron, does the President have any feeling about whether he would rather have the Members go now or if he would rather have them stick around and wait for the override to come up?

MR. NESSEN: The President understands that there is legislative business on the Hill and that some Members might prefer to stay and deal with that and go later.

Q Does he prefer that they leave now or would he just as soon they stay and vote to override his veto?

MR. NESSEN: The President is interested in their going, and the details of when and who is being worked out. The President understands that there is business that the Members might want to stay and conduct.

Q This report that issued today from Vietnam that the trip had been delayed -- you know nothing about that?

MR. NESSEN: I don't see how you could say it was delayed, Sarah, when there was never any --

Q I don't know anything about it. It was a news report from Vietnam that they had understood that the trip had been cancelled for the time being.

MR. NESSEN: There was never a date set for it to begin with, and so it is very difficult to say it has been delayed when there was never a date for it to start, anyhow.

Q But aren't you anxious to get this \$300 million? Don't you need this money over there?

MR. NESSEN: The President does feel that that supplemental appropriation is a matter of urgency.

Q How will they know to go out to the airport? Is anybody going to give them guidance on when the plane is going to leave or how they will go?

MR. NESSEN: The State Department is working on that, Bob.



Q Is the Administration in any way, in a sub rosa way, conducting paramilitary troops in Cambodia in violation of the law?

MR. NESSEN: I certainly have not heard anything about it. The President has always said that he is and will abide by the legislation.

Q Ron, the President did not call certain Members of Congress and request that they go on this trip?

MR. NESSEN: I have not heard of any, Gene.

Q He could very well have called them without your hearing about it?

MR. NESSEN: Certainly.

Q Ron, does the President find the tax bill prepared by the Ways and Means Committee acceptable?

MR. NESSEN: Has it been reported out finally?

Q Yes.

MR. NESSEN: It has a long way to go in the Congressional process, and the President still feels that his tax bill is the best bill and I will just wait and see what Congress comes out with.

Q He has no reaction to the Ways and Means bill?

MR. NESSEN: No, except a reaction that it is taking an awfully long time. When you think about the initial reaction of Congress, Congress' leaders, that they would have a tax bill out in 30 days--and I guess it has been 35 days now--it has just gotten out of the Ways and Means Committee.

He thinks that there should be a greater sense of urgency by Congress to create jobs through a tax cut to give people spending power through a tax cut. Since there is 100 percent agreement -- and I have not heard anybody in Congress or in the Administration or among the economists say that a tax cut is not what is needed to reverse the recession -- the President can't understand why it is taking so long.

Let me leave it at that. The President thinks it is taking too long for Congress to pass a tax cut, and the President thinks that Congress does not have a proper sense or urgency about the need to get this purchasing power into the economy and reverse the recession.

Q Ron, does the President think that the process could be speeded up if he were to get into it at this point and indicate what he thinks about the bill that is going through Congress?

MR. NESSEN: Norm, the President has a tax cut bill which he feels is the best way to do it.

Q Which the committee in Congress, which writes tax bills has rejected. Would it not be a good idea for the President to take some stand on the bill they have written?

MR. NESSEN: The President has taken a stand, which is that his bill is the best bill.

Q Ron, have you talked to the President about this since the bill came out of the Ways and Means Committee?

MR. NESSEN: I certainly have.

Q What did he say?

MR. NESSEN: I just told you what he said.

Q You were repeating some of the things you said last week and before and all that, but did he actually comment on this bill that came out of the committee?

MR. NESSEN: He said that he feels his bill is the best bill.

Q Ron, in other words, is the President going to wait until that tax bill goes through the entire legislative process before he tells Congress that this may or may not be acceptable?

MR. NESSEN: The President believes Congress ought to pass his tax cut and get that \$12 billion into peoples' pockets and into the hands of corporations so they can start hiring people back.

Q Congress knows his views on that, but do they know his views on this particular bill, all parts of this particular bill?

MR. NESSEN: It is just not proper to comment on a piece of legislation before it works its way through Congress.

Q Of course it is, Ron. Of course it is.

Q Ron, did you say the President still hopes to get his bill passed?

MR. NESSEN: He believes it is the best bill.

Q That is not the same thing. That is not the question I asked.

MR. NESSEN: I think the President told the Chicago Tribune, I guess it was, his views on the likely ultimate form of a tax bill.

Q Ron, a related subject and speaking of things taking a lot of time, the supply of money as monitored and covered by the Federal Reserve Board has only gone up 2 percent in the last six months, and in the last three months it appears to be going up only at the rate of about 1 percent.

Does the President think this is a fast enough growth in the money supply, and if he does not, is he concerned about it, and if he is concerned about it, does he plan to do anything about it?

MR. NESSEN: Jim, you know the Federal Reserve Board is independent and it is not proper for the Administration, the Executive Branch, to comment on the policies of the Federal Reserve Board.

Q I was not asking for your comment, I was asking whether the President was going to do anything about it.

MR. NESSEN: I don't believe that the Executive Branch can properly tell the Federal Reserve Board what monetary policy to follow.

Q Dr. Burns is in to see the President frequently as a member of the Quadriad. Has the President expressed any concern to Dr. Burns about the slow rate of growth in the money supply?

MR. NESSEN: The President has said publicly before that he has every reason to expect that the Federal Reserve Board will conduct monetary affairs in a responsible way.

Q In the present situation, in the present recession, how does the President define a responsible way for the Federal Reserve Board to conduct monetary policy?

MR. NESSEN: I don't think it is proper, Jim, for the White House to advocate or urge the Federal Reserve Board to take any particular course of action.

Q You speak of the President wanting the Federal Reserve Board to conduct its monetary policy in a responsible way and then you say --

MR. NESSEN: I said he expects it will.

Q Then you don't tell us what a responsible way is. A responsible way could be anywhere from zero monetary growth to a great deal of monetary growth. Can you give us any idea what is meant by the word responsible?

MR. NESSEN: Jim, it is not possible to urge any particular figure on the Federal Reserve Board from the White House.

Q Ron, yesterday you talked about the tilt toward higher gasoline prices.

MR. NESSEN: Right.

Q Apparently some of the Senators will be influenced by the precise definition of that. Will there be an order saying how much will go to gasoline and how much will go to fuel oil?

MR. NESSEN: I am not sure what form the March 1 order will take, but it will spell out in cents per gallon.

Q When?

MR. NESSEN: I say before March 1. The FEA has promised to issue that order before March 1.

Q Ron, is the President planning a similar tilt on the distribution of the proceeds from the \$1, \$2 and \$3 tariff?

MR. NESSEN: Norm, there is no procedure for distributing the proceeds of the \$1, \$2 and \$3 tariff, which I why I have said before that the \$1, \$2 and \$3 tariff is not an energy program. The Congress has not begun work on the energy program, which provides a mechanism for providing the revenues.

Q There are some Senators up there who seem to indicate that without an indication that there will be a tilt toward gasoline under the proceeds of the tariff there won't be any tariff.

MR. NESSEN: I am sorry. I thought you meant a return of the tariff proceeds.

Q No.

MR. NESSEN: You mean as it affects the price of --

Q Putting more on gasoline.

MR. NESSEN: Would the FEA regulation apply to those price increases also on the present \$1, \$2 and \$3 tariff or would it apply only once the \$2 excise tax goes into effect?

The same tilt will apply to whatever price increase comes from the \$1, \$2 and \$3 tariff.

Q Senator Mathias said this morning he would need an absolute commitment by the President on this matter of loading price increase on gas. I frankly thought that was a commitment yesterday. Are you willing to say that the President is making an absolute commitment on this?

MR. NESSEN: I think if you look at the President's words--I didn't bring them out with me again today--did he not use the word commitment? I think he said, I commit myself or we will commit ourselves or something. The rules that are being drafted will be published on March 1. A regulation of the Federal Energy Agency seems to me to be a legal regulation of the Federal Energy Agency.

Q Won't they have to be published before March 1 to affect the Senate override vote?

MR. NESSEN: The purpose of the regulations has nothing to do with the vote, Carroll.

Q But it will influence the vote?

MR. NESSEN: I don't know about that.

Q That is what the Senators say.

MR. NESSEN: They put out their proposals and they have had ten days for public comment and they are drafting the regulations now.

Q Ron, there is a Temporary Emergency Court of Appeals ruling yesterday that seemingly could affect the President's plan to decontrol old oil on April 1. Are you familiar with this decision, and could you comment on whether it might affect that April 1 decontrol?

MR. NESSEN: At the moment the Justice Department is weighing a possible appeal. The FEA, I understand, has advised the Justice Department that it feels a motion of reconsideration should be filed with the full nine members of the Temporary Emergency Court of Appeals.

As you know, that decision was made by three members. The FEA recommends that the Justice Department file a motion for reconsideration by all nine members.

I think while this is still in the process of legal appeal, I probably should not comment on how it would or would not affect the President's belief that he can decontrol the oil on April 1.

I will say that it is generally felt here that if he follows the procedure of the Emergency Petroleum Allocation Act of 1973, which allows him to do this after giving Congress five days to reject it, he believes that as long as he follows the provisions of that statute that he does have the authority to decontrol oil.

Q Does he plan to go ahead before there has been a higher court ruling on this? In other words, will this delay his action until the court rules?

MR. NESSEN: I have heard no mention of a delay.

Q Ron, Secretary Simon this morning told the Governors that the country is now in a profits depression, which is a new term for me. Does the President agree with this, that we are now in a profits depression?

MR. NESSEN: I think Secretary Simon has spoken and, in fact, written extensively about that, and I don't see any need to comment one way or the other on this.

Q Is that the President's view?

MR. NESSEN: I have not talked to the President about that particular aspect.

Q Ron, John Gardner of Common Cause is trying, under the Freedom of Information Act, to release the report made by Colby of the CIA to the President on domestic spying. Do you want to say anything about the status of that?

MR. NESSEN: Not if it is a court case, Sarah. The President I think said at the time he received the report and when he appointed the CIA Commission that he did give the Colby report to this Rockefeller Commission and he felt that among the decisions the Rockefeller Commission would ultimately make was whether to make the Colby report public or parts of it public.

Q There seems to be a different situation, though now, under the fact that the Freedom of Information Act applies.

Q Speaking of Governor Bond, as you were earlier, does the President plan to meet with the Republican Governors at their meeting tomorrow morning?

MR. NESSEN: No.

Q Ron, the word compromise keeps popping up on the Hill on energy. Is it possible that the President has told the Congressional leaders that once the vote to override or sustain the veto is disposed of, then there will be a better climate for compromise? There are individual Democratic proposals now on energy. Can they get together after that vote is out of the way?

MR. NESSEN: You know, this situation has not changed at all, and I would be happy to reiterate the situation; that is, that the President plans to go ahead and put the \$1, \$2 and \$3 oil tariff increases into effect and to decontrol oil on April 1.

There is no other comprehensive energy program with which to compromise. The \$1, \$2 and \$3 tariff increase is not an energy program. The original purpose of that and the present purpose of that is to begin something while Congress passes an energy program.

Congress has been asking for a delay of 60 or 90 days. In effect, the oil tariff increase that the President does on his own authority is the delay that Congress is asking for. It gives them February, March and April to pass an energy program at which time the \$1, \$2 and \$3 tariff would go off and be replaced by the energy program they pass.

On the question of compromise, it has always been the position that if and when there was an alternate energy program that met all the goals of the President, he will not compromise on the goals, and the goals are energy independence by 1985. That is one.

The encouragement of domestic sources of energy, both oil and other sources of energy, that is another goal that he cannot compromise on. He will not compromise with his feeling that the system, whatever it is, has got to be equitable to everyone and every region and every industry.

He will not compromise on his goal of giving low and middle income families a large tax cut permanently, as well as other tax cuts for business and upper income people, to make up for the ravages of inflation over the past couple of years.

Those are the goals, and there can be no compromise on the goals.

If the Democrats come up with a program that differs in some of the details to reach those goals, the President will look at it and if there are areas where a combination can be reached, he will talk about it.

Q Ron, you did not mention one million barrels a day production of foreign imported oil.

MR. NESSEN: The President believes that is the first step that is needed to get started on this goal of energy independence by 1985.

Q Ron, is he willing to compromise on that one million barrels a day?

MR. NESSEN: I have not heard that he is, Gaylord.

Q Ron, you say the President plans to go ahead and put the \$1, \$2 and \$3 on oil.

MR. NESSEN: Yes.

Q Even if his veto is overridden?

MR. NESSEN: Obviously, if the Congress takes away the power it originally voted him to act in national security cases, which this is, he obviously would not be able to legally do this, but at that point, nothing has really happened except that Congress still has not taken up an energy program.

The Nation, at that point, will still not have an energy program, if it ever reaches that point, and Congress would still be in the very same situation it is today, which is that it has not begun to work on an energy program.

Q I am puzzled by your statement, the President plans to go ahead and put the \$1, \$2 and \$3 fee, et cetera, et cetera.

MR. NESSEN: On the assumption that Congress does not take away his power to do it.

I am sorry. That is a good point, Ralph.

Q Can I just follow up on that. If his nose counters up on the Hill tell him that he needs two or three more votes to get this veto sustained and they tell him he could get this veto sustained if he is willing to put off until April 1 the third increase, he still will not compromise on that? He will suffer defeat before he would compromise on this dollar-a-month schedule?



MR. NESSEN: I don't think I will take up a hypothetical situation, John, except to say that he plans to go ahead with the \$1, \$2 and \$3.

Q Is there any modification he would be willing to make in the program before this thing comes to a vote?

MR. NESSEN: This is not a program, Bob, it is an interim first step while he is waiting for Congress to begin work on an energy program.

Q What I am trying to find out, what would the President be willing to do to get this veto sustained? Is he willing to do anything beyond what he said he would do or has he just said this is it folks and you either vote on it or not?

MR. NESSEN: I think I will just stick to his statement of yesterday, which explains his position that the President is hopeful that his veto will be sustained.

Q Does he have the votes?

MR. NESSEN: The President is hopeful.

Q Does that mean he expects that his veto will be sustained?

MR. NESSEN: I say he is hopeful that it will be sustained.

Q You said yes earlier.

MR. NESSEN: I said yes, he is hopeful.

Q You said yesterday he had a realistic expectation. Do you stand by that?

MR. NESSEN: I don't remember saying that, Jim.

Q I asked you the question. I asked you, as a matter of fact, repeatedly, and finally you said yes. I said, does he have a realistic expectation that the vote will be sustained.

MR. NESSEN: I don't recall saying that, but the President's position is that he is hopeful his veto will be sustained.

Q But he is not willing to make any modification or he is not willing to give an inch to get it sustained? He is just hopeful?

MR. NESSEN: The President plans to go ahead with the \$1, \$2 and \$3 tariff increases.

Q But there are other things he could talk about besides that. I mean, there are all sorts of things.

MR. NESSEN: The President really wants Congress to begin working on an energy program.

Q Ron, you have been saying they cannot really talk about compromise on an energy program because there is no alternative proposal. On the tax cut there is a comprehensive alternative proposal which is now before the committee. Is the President willing to look at that and tell the Congressional Members now which parts of that might or might not be acceptable?

MR. NESSEN: The President thinks his is the one that ought to be passed by Congress, Gaylord.

Q Why is it that in all of the statements that the White House puts out publicly it takes a very hard line against any sort of compromise and yet all of the Congressmen who come out of these private meetings, or the ones that seem to talk to us, always say, we think the President is in a mood to compromise and really wants to get this together. Why is that?

MR. NESSEN: Bob, I think you have to be careful about how you paraphrase what the Members say because I read carefully what they said, and I watched them say it on television last night, and all the Members have said, as far as I can determine, that they got the impression or that they felt that the implication was there, that if there is another energy program put forth on the Hill, the President would look at it for areas of accommodation.

But after reading carefully what they said and watching them, I didn't see anyone who said that they got the impression the President was going to back away from the \$1, \$2 and \$3.

Q What do you think Senator McClellan meant when he said, "I think we can work this all out in two weeks?"

MR. NESSEN: I assume he is thinking that within two weeks the Democrats will have some energy program that the President can take a look at.

Q What do you think Senator Talmadge meant when he said, "The President told us" -- and he used these specific words -- "that 'my feet are not in concrete.'" "

MR. NESSEN: On his energy program. The \$1, \$2 and \$3 is not an energy program.

Q Don't you think that means he is not hard and fast?

MR. NESSEN: I say when there is a program to look at and see if there is anything --

Q Don't you think the President said those words? Talmadge said he did.

MR. NESSEN: Sarah, there is no conflict between those words and what I have been saying here, which is --

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Q There sure is. When he says, "The President says, 'My feet are not in concrete,'" that means the President says, "I am not hard and fast on this."

MR. NESSEN: On what?

Q On his proposal.

MR. NESSEN: Which proposal?

Q On his energy proposal. You know what I am talking about.

MR. NESSEN: Well, his energy program is the energy program which Congress had not begun to work on yet, and I have said all along here, Sarah, that --

Q -- there is no point in us wasting words. That is what Talmadge said, and Talmadge is a truthful man.

MR. NESSEN: He is a truthful man, and what he said does not conflict in any way with what I have said.

Q It sure does.

Q Ron, do you expect the President will go through with his veto and veto this measure almost as soon as it reaches his desk, since he knows clearly what is in it and he said there is a need for moving rapidly on this issue?

MR. NESSEN: I just can't give you anything on that, Tom, until it gets here.

Q Ron, why is the President willing to discuss the details of the alternative plan on energy with the Democrats and not on taxes with the Democrats or with the members of the Ways and Means Committee?

MR. NESSEN: As I say, if you look back at the Chicago Tribune interview, you will see his feelings about the tax legislation.

Q Ron, it would seem to indicate that he thinks that this bill is probably acceptable. Why can't you say that?

MR. NESSEN: Because there is no bill at this point.

Q There sure is.

MR. NESSEN: There has been some tax legislation reported out by the Ways and Means Committee, that is all.

Q That is where tax bills have to start, Ron; there is no other place you can start them.

Q His words to the Chicago Tribune were that it would be acceptable, or --

MR. NESSEN: Take a look at the words. I don't have the words.

Q I have never seen the Chicago Tribune article.

Q Ron, you have a precedent from your own briefings, right here, on the strip mining bill and at least one other measure, where you itemize, specifically, objections the White House had that would have to be changed before the President can deal with it affirmatively. Now, why can't you, in terms of the President's desire for haste and concern for the crisis atmosphere -- why can't you help Congress along at this early stage to help it speed up the process by knowing what you can or cannot accept?

MR. NESSEN: I would rather stick to the President's views on this, which I am getting and will read to you in just a minute.

Q Ron, the Administration has consistently lost the court test of its right to impound appropriated funds. How much money have you got impounded now? Is there any thought being given, in view of the way that the decisions are going, to releasing this money?

MR. NESSEN: I think you better take a look at that court ruling on the water and sewer funds because that particular law was written in a very particular way, and that court decision dealt very narrowly with that particular piece of legislation.

Q How much have you impounded now?

MR. NESSEN: I don't have a figure on the impoundment. This particular bill does have technical differences in it between the way it was written and the way other funding legislation was written, and the lawyers here are looking at that decision now and so is the Solicitor General. But their immediate opinion is that it does not apply across-the-board to all impoundments.

Q Well, Ron, the President freed some highway funds about a week ago, and there are other impounded funds which do not fit in that water and sewer category. Now, does he plan to release some more of those to spur employment?

MR. NESSEN: I have not heard of any plans at the moment.

Q It is an open possibility?

MR. NESSEN: He did, actually, as you probably remember, release \$4 billion of this \$9 billion on January 28, from this particular sewer fund. But at the moment, there is nothing to announce about other releases.

Q Ron, on another subject, does the President plan to appoint former Congressman Thomas Curtis as one of his, I believe, two appointments that he makes to the Federal Elections Commission, and secondly, why the delay in the Presidential appointments to this Commission?

MR. NESSEN: There are a couple of names under consideration. As you know, I think the White House has to appoint two members to that Commission, and there are some names under discussion. And I would expect that the President would be making a decision on that in the near future. I think we need to stick to our policy of not announcing them until the official nomination goes up to the Hill, and I would think that might be perhaps a week or more away.

Q Ron, the question is, why the delay? Why has it been so long?

MR. NESSEN: It just takes time to review names and come up with the best qualified people.

Q He has had months, hasn't he?

MR. NESSEN: Well, it should be coming out in the near future.

Q Ron, did the President have anything to do with the decision of taking china down to the states, the cities, when he went on this tour, where he entertained the Governors? Did he make that decision to take china down there and bring back dirty dishes and feed those Governors six-course meals costing \$40 apiece? Was that his idea, or somebody else in the White House, and who was it?

MR. NESSEN: The President approved having the dinner.

Q Doing everything?

MR. NESSEN: No; no, he does not get into those details.

Q Six-course meal -- he approved the dinner, and he approved the arrangements for the dinner with those dishes being transported at great expense and brought back dirty?

If he didn't, who did on the White House staff. We want the name.

MR. NESSEN: Well, Sarah, the President does not make the decisions at that level, and I cannot tell you who did.

Q Now that he knows that somebody in the White House did, is he going to continue this practice, or is he taking some action to see that that person on the White House staff won't do this again?

MR. NESSEN: Well, I am not sure that there is anything wrong with the practice.

Q There is a great thing here, Ron. There is a question of people in Detroit having to eat out of garbage cans and Governors down here eating six-course meals costing \$40 apiece, engineered by the President of the United States. That is a big thing. Also, the taxpayers' money was wasted by taking those dishes down and bringing them back.

MR. NESSEN: Well, I can check some of those questions and see if I can find answers.

Q I think you ought to find out for us who on the White House staff made such a decision.

MR. NESSEN: To bring the dishes back dirty?

Q Anybody on the White staff who made this decision, or the arrangements on these dinners, you should publicize the name of that person and let us find out if the President has taken action to see that this won't be done again.

Q Are they going to take the china with them to Florida next week?

MR. NESSEN: I have no idea, Fran.

Q Ron, you gave us four goals that you said the President would not compromise on, and without exception, those goals are totally noncontroversial and could probably be accepted by most Democrats, and it seemed to always rule out rationing. I wonder if you could tell us if the perimeters of the compromise have broadened considerably in the view of the President, since the vote yesterday?

MR. NESSEN: I don't know what compromise you are talking about, Aldo.

Q A program that could be agreed upon by both. What we are saying, Ron, is -- I think you know what we are saying. Perhaps "compromise" is the wrong word, but would the President be willing to alter his program to more fit the Democrats' view?

MR. NESSEN: I say that, when there is a Democratic program and alternatives to his program to reach these goals, he would look at the details of it and the specific mechanisms of it to see if there are any places where there can be an accommodation.

Q Has his interest increased since yesterday?

MR. NESSEN: It has not.

Q What was the question?

MR. NESSEN: Aldo asked whether his interest in accommodation has increased since yesterday, and my answer is a firm no.

Q What you are saying is that, as this vote approaches, there is no room for compromise on the tariff, right?

MR. NESSEN: Not on the \$1, \$2 and \$3.

THE PRESS: Thank you.

END

(AT 12:55 P.M. EST)