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NEWS CONFERENCE

#337

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:33 A.M. EDT

OCTOBER 3, 1975

FRIDAY

MR. NESSEN: I have a number of little items to give you here at the beginning.

One, we have a statement by the President on the occasion of the Congress passing the resumption of military sales to Turkey. That will be ready by the end of the briefing. We will pass it out at the end of the briefing.

We also have a statement by the President, which goes to the House of Representatives today, in which he vetoes and explains why he is vetoing the so-called School Lunch and Child Nutrition Act amendments.

Q Will we have a copy of that?

MR. NESSEN: Also at the end of the briefing. It is being run off.

Q This will be the 40th veto?

MR. NESSEN: 39.

Now, let me give you some word here on the coverage plans for the reciprocal dinner the Emperor and Empress are giving for the President and Mrs. Ford. It is the Japanese' dinner. It is their dinner. They have allotted two pools for the coverage.

There will be open coverage outside of the Smithsonian for arrivals, but inside, the Japanese have determined that there should be only two pools, a six-person pool of photographers to only cover the pre-dinner reception and post-dinner events, and an eight-person pool to cover the beginning of the dinner and the exchange of toasts.

MORE

#337

We have posted the people who are in these two pools. Pool number one, which is the reception and the post-dinner activities, will be AP and UPI photos, a network minicamera crew, Time photo and Washington Star photo. These members should be at the Smithsonian at 7 o'clock. They should get their special pool passes here at the Press Office at 3 o'clock, and they should wear white tie, if they are men.

Pool number two for tonight, which is the beginning of the dinner and the toasts, will also be the travel pool to follow the President and Mrs. Ford there. They should be here in the press room at 7:45, and that consists of AP and UPI writers, AP and UPI photo, NBC minicam crew, NBC correspondent and NBC radio engineer.

They should pick up their passes right here when they gather at 7:45 tonight, and they are also required to wear white tie.

Basically, the arrangements for tonight are for the President to leave at 7:45, to reach the Smithsonian at 8, and there is a reception ahead of time.

Q Why is it they are barring reporters from that reception? What is the matter? Have they got anything against reporters?

MR. NESSEN: I don't think so.

Q Why should it only be photos?

Q I take it is the entire Japanese photo, in addition to these Americans?

MR. NESSEN: No, they have the same size pool. Is that not right, Bill?

MR. ROBERTS: That is my understanding.

Q Which of those photographers is going to file a written pool report?

MR. NESSEN: Ann, I agree with what you are saying, but it is a dinner given by the Japanese, and Bill has been working with them for days, and this is the best we can get.

I think that possibly one of the photographers could give a pool report.

Q Oh, come on.

MR. NESSEN: Would you take Bill Roberts for a pool report?

Q I think we ought to be able to get one reporter in there.

Q Why don't we give one a camera?

MR. ROBERTS: We could do that.

MR. NESSEN: Why don't we do this? Why don't we have the pool, which is supposed to be AP, UPI, network minicam crew, Time photo and Washington Star photo, why don't we say that the Time and the Washington Star, one or both, can send a person with a camera in and that person will bring back a pool report.

Why don't you work that out, Bill? Take one of the slots. Bonnie Angelo or somebody. I think we ought to do that, Bill.

At 7:55 the President leaves the White House, arrives at the Smithsonian at 8, goes inside to the reception, has a very short private reception with Their Majesties, goes to the receiving line at 8:15, enters the dinner at 8:35, and the toasts are scheduled to begin at 10:12. The Emperor's will be first.

It will be piped here, will it not, Bill?

MR. ROBERTS: Yes.

MR. NESSEN: The toasts will be piped, starting at 10:12. After the toasts and dinner, the President and Their Majesties will go to a lounge area for coffee and to chat with their guests. Then they go to the Great Hall of the Smithsonian, where they will view art treasures of the Imperial collection exhibition.

Q What time?

MR. NESSEN: 10:50. Then the President and Mrs. Ford will depart the Smithsonian at 11:05, arriving on the South Grounds at 11:10.

For tomorrow -- this is going to be exciting -- we are going to take a democratic vote on one matter that remains pending for tomorrow. We will have a bible for you by the end of the day, but just so you can make some plans, at 12:30 the President leaves the South Lawn by helicopter. At 1:50, the President arrives at Weimer Field, of the Elkins High School.

This is the parade staging area. The President will speak there for three to four minutes. His remarks will be broadcast over loudspeakers along the parade route. At the conclusion of those remarks, the President will board his car and --

Q Which car?

MR. NESSEN: -- and will lead the parade.

The car is one of the regular Presidential limousines. It will be set up for this particular trip with glass windows and roof.

Q Oval top?

MR. NESSEN: That is really not the proper designation. It is glass from the window ledge up and over the top.

Q That is like the bubble.

Q Do you call that a bubble top?

MR. NESSEN: We don't. (Laughter)

Q We always have.

Q It is the old bubble top. It isn't his new limousine with a new top put on it, is it?

MR. NESSEN: It is the one people used to refer to as the bubble top.

Q It is also the JFK death car?

MR. NESSEN: The chassis was the one that was on that car. The car has been about 90 percent rebuilt since that time or, as I said to somebody today, the chassis is the same, but there has been a lot of change, as is the case with so many of us since 1963.

Q Are you sure it is that one? They have a couple of them.

MR. NESSEN: They have three cars, but this is the car.

Q Ron, has President Ford ever used this car before and, if so, when and, if not, when was the last time a President rode in it?

MR. NESSEN: The President used this car when he went to the VFW speech, which was in Chicago, and also during an earlier appearance in Grand Rapids, I guess. He also used it in Madrid and Rome.

MORE

#337

Q With the bubble top up?

MR. NESSEN: Yes.

Q May I ask, having not seen that automobile or at least not remembering it, is this the sort of thing where he is completely enclosed or can he stand up and be exposed?

MR. HUSHEN: No, he cannot stand up in the car.

MR. NESSEN: He cannot stand up while the top and windows are in that bubble.

Q They can remove the top, but they don't plan to, I gather?

MR. NESSEN: I guess they can remove the top. There is a hatch or something, I guess. They take the whole top off.

Q Is the front open and just the back covered over?

MR. NESSEN: No. It is only the back part of the car that has the glass section. The driver is inside a regular metal roof.

Q Is it actually glass or plexiglas?

MR. NESSEN: I don't know.

Q Is it in fact bulletproof?

MR. NESSEN: It is protective.

Q Is that what they used to call bulletproof before you became Press Secretary?

MR. NESSEN: This used to be the bulletproof bubble car, and it is now the glass-enclosed protective car. (Laughter)

Q Is Mrs. Ford going along?

MR. NESSEN: I don't really know. I haven't checked on that.

The President will then depart in this vehicle we have been discussing at two o'clock from this high school football field staging area. He will lead the parade, which lasts a half hour.

Q What is the distance?

MR. NESSEN: That is a good question, for which I don't have an immediate answer.

Q How long is the parade route the President will be on?

MR. NESSEN: It is a mile and a quarter, I am told.

The parade lasts a half hour, and at the conclusion of the parade, the President will go back to the airport.

Q Back to the ball field?

MR. NESSEN: No, the helicopters will have moved to the end of the parade route, or closer to the end of the parade route, to the airport.

Q What airport?

MR. NESSEN: The Elkins-Randolph County Airport. He will leave at 2:45, and get back to the South Lawn at 4:05.

Q Aboard what?

MR. NESSEN: Aboard the helicopter.

He leaves the Elkins-Randolph County Airport at 2:45 and gets to the South Lawn at 4:05 by helicopter.

Q What is he going to do in the 15 minutes at the airport?

MR. NESSEN: Say goodbye to people and so forth. Wait a minute. The time between 2:30 and 2:45 is spent getting from the end of the parade route to the airport.

Q Do you have any estimate of the crowd expected?

MR. HUSHEN: The town is about 15,000. They are expecting about 100,000 people

Q Do you mean along the parade route?

MR. NESSEN: Yes.

Q What other Presidents have been to Elkins?

MR. NESSEN: The other Presidents who have ridden in this parade were FDR and Nixon.

Q Could we stop there? Is he going to emerge and speak at any point during the parade or at the end of the parade route or anything like that?

MR. NESSEN: Not that I know of. He is speaking at the beginning of the parade at the staging area.

Q Is that open, Ron, at the staging area?

MR. NESSEN: Do you mean open for coverage?

Q No, open to the public.

MR. NESSEN: There will be a fair number of people there getting ready to ride in the parade. The remarks are being broadcast along the parade route, since you couldn't get 100,000 people into the immediate area.

Q Where will he make these remarks? Standing in the open?

MR. NESSEN: Yes, standing. There will probably be a little platform there.

The President leaves again at 5:00.

Q Somebody asked if this parade had a name.

MR. NESSEN: Yes, the Mountain State Forest Festival Parade.

MORE

Q What type of groups are participating in the parade?

MR. NESSEN: Different high school bands, civic organizations and that kind of thing.

Q What is it supposed to commemorate?

MR. NESSEN: The Mountain State Forest Festival. West Virginia is the Mountain State, as you know, and they have this annual festival.

At 5:00 the President leaves again from the South Lawn by helicopter, goes to Andrews, leaving aboard Air Force One at 6:10.

Q Wait. 5:00 to 6:10?

MR. NESSEN: It may be hard to get a taxi tomorrow night. (Laughter)

He leaves at 5:00 by helicopter from the South Lawn -- I don't have the precise times, but he arrives at Newark airport at 6:10. Where at the airport, I don't have at the moment.

At 6:30 the President arrives at the Robert Treat Hotel in Newark where he goes first to a reception and then dinner, both Republican fund raisers. He is scheduled to speak about 9:00. I am hoping we will have at least excerpts of his remarks to put out either this afternoon or tomorrow.

He departs immediately after speaking, tentatively scheduled to arrive at the airport at 9:45. That would get him to Andrews at 10:40 and the South Lawn at 10:55 tomorrow evening.

Q Will he be flying in Air Force One?

MR. NESSEN: Yes.

Q Is this going to be a heavy speech or the same stuff we have been hearing?

MR. NESSEN: There will be some material in there that I hope to get out in excerpts. Some of it primarily deals with energy.

Q Will you have the Elkins speech ahead of time?

MR. NESSEN: No.

Q Do you have a fix on the fund raisers -- how much money?

MORE

#337

MR. NESSEN: I don't have a paper on that yet.

On the telephone situation -- let me do the telephone situation first.

Q Is this where we vote on whether we want phones or not? (Laughter)

MR. NESSEN: No, but you will vote on something else. There is only one road from the airport through town to the high school staging area and that road is expected to be crowded, so we have to sort of move together and Pappy has arranged for a police escort to make sure the press gets through town to the staging area.

Q When? After it is over?

MR. NESSEN: At the staging area there will be six long distance phones and there will be another 14 long distance phones at the courthouse. In other words, the staging area is the beginning of the parade route. There are six LD's there. The courthouse is at the other end of the town. It is where the press filing area is. It is at the end of the parade route and there will be 14 LD's there.

If I read this I would have known the parade was a mile and a quarter long.

There are a few phones available at the airport for use after the President departs. There are no phones in the wire cars because there is no base station which can operate in those mountains.

Q Can I request that you put more phones in at the initial staging area? He is going to make remarks there.

MR. NESSEN: We had to move six from the other area to get any at the staging area. There weren't any at all.

Q If we don't get one of those six phones at the staging area by the time the parade starts, it is an hour and a half before we reach the next 14 phones.

MR. NESSEN: What did we decide about the drop off at the courthouse?

You go past the courthouse to get to the staging area. There are only 20 lines that can be obtained. We divided them this way. We could call Pappy back and tell him to make it 10 and 10 if there is any feeling about that.

Q No.

Q Eric said something about he would see whether or not he could get the two wire service slots on the photo van behind the President.

MR. NESSEN: There will be a truck and the entire pool will be in the truck. Wires and the rest of the poolers will be in the truck so you will have a good view.

Q Closed? (Laughter)

MR. NESSEN: Here is the deal on the transportation. The original plan was to rent some Convairs from Allegheny Airlines or Piedmont, but that airport no longer has commercial air service so Allegheny said they would do it if the FAA went and certified the airport was still flyable. The FAA went down and said it is flyable and they would certify it, and then Allegheny went down and found the trees had grown somewhat taller from the time they used to fly in there -- (Laughter) -- this will give you the range of problems we deal with here.

Also, the runway goes downhill. If the wind is blowing in the wrong direction, they don't want to land a Convair downhill. (Laughter) So we are now reduced to two choices since we can't get a Convair.

The largest plane that that airport will take safely is a --

Q That is a Piper Cub. (Laughter)

MR. NESSEN: Almost -- Twin Beechcrafts, which carry 15 people each. There are 73 people on the signup list to go. To carry all of those we would need six Twin Beeches and we have only been able to locate five. The cost for each plane is \$900, round trip. It is a 45-minute flight. Six times nine -- if we could get six, but we haven't been able to get six -- five planes, five nine's is \$4,500 for everybody, but we would have to somehow prune that signup list in order to get people into five planes.

The other option is to go by military helicopter. In order to carry 73 people we would need three helicopters which rent for \$4,000 for the trip. That would be \$12,000 to hire three helicopters prorated across the press.

I have no particular feeling one way or the other.

MR. HUSHEN: Because you will be with the President. (Laughter)

MR. NESSEN: It seems to me one option would be for people to rethink whether they really want to go on this trip.

Q Can we split up and not go to West Virginia but go to Newark?

MR. NESSEN: Yes, no question about that because you are going by 727 to Newark.

Q What is the closest big airport where you can take a bus to Elkins?

MR. NESSEN: The closest is Charlotte, which is a three-hour ride by bus. We have done this thing, Helen.

Does anybody have second thoughts about going on the trip?

Q Does the President have some second thoughts about going on the trip?

MR. NESSEN: He is going by helicopter. The fact is, if we could maybe get it down to two choppers or maybe one chopper, if the networks flew there on their own with their own charter planes, we could get the thing down to 28 press people -- take one chopper in there. But I am not going to try to tell you to stay at home.

Q Why can't the pool go in one of the Presidential helicopters?

MR. NESSEN: They are only taking two Presidential helicopters -- one for him and staff people, and one for Secret Service.

Q Judging by the way the President is going, is it safe to presume the safest way is by helicopter?

MR. NESSEN: Eric called and said he recommended the planes. But then he never did like reporters much, anyhow.

Q Why is there no travel pool?

Q Why does he have to take so much staff? Why can't we have a pool on there?

MR. NESSEN: I wasn't in on the decision to take two choppers and I don't know what the thinking was.

Q Well, get in on it.

Q That is the first time the press has ever been separated from the President.

MR. NESSEN: You are quite right. The pool chopper has also been -- if we decide to go by chopper, one of the choppers would be, in effect, the pool chopper.

Q In the past, we used to travel with the President in one of the Presidential choppers, like the jet choppers. Why can't we have a pool on one of those?

MR. NESSEN: I think the decision was to take only two choppers.

Q Well, how about changing the decision?

Q It would just mean hiring another chopper.

Q This is the worst situation, and you don't even have a pool down there.

MR. NESSEN: Worst in what sense, Fran?

MORE

Q I mean the travel.

MR. NESSEN: The President has no trouble with his travel.

Q I am not talking about the President.

MR. NESSEN: You seemed to tie it together, as if he were in some greater danger on this trip.

Q No, I was not.

Q Then nobody comes back with the President, is that what you are saying?

MR. NESSEN: A chopper -- if you decide to go by chopper -- is going to be in effect the pool chopper. It will leave earlier than he does and stay later than he does. That is the way it has always been. A third chopper has been rented and paid for by the press. It is a pool chopper.

Q That is not the way it has been.

Q How is he coming back? Is he taking a chopper from Elkins?

MR. NESSEN: Yes.

Q We always traveled in another chopper when the President makes a chopper trip.

MR. NESSEN: That is what you are going to be doing if you vote for choppers.

MR. HUSHEN: We can get a third chopper and send everybody else down by plane.

MR. NESSEN: That is a possibility. We could get one chopper to carry a pool and then rent the five twin Beechcraft to carry everybody else.

Q These Beechcraft just have capacity for 15?

MR. NESSEN: Yes, and 700 pounds of baggage per plane.

Q Is that the only plane?

MR. NESSEN: This is the largest plane that will fit in there, Peter.

Q A chopper is probably the only safe way to get down there.

Q There are other aircraft --

MR. NESSEN: These are the ones we can lay our hands on from a charter service. It is not easy to go out and say give me five or six airplanes for tomorrow. This is what we have been able to find.

What do you think? How do we want to go on this thing? We are wasting half our day here.

Q A pool chopper and five Beechcraft.

MR. NESSEN: Is that possible?

MR. ZOOK: A pool chopper would be a 53. You would be restricted to a chopper like the President's.

MR. NESSEN: Can the football field take three choppers?

MR. ZOOK: I don't know. I know our large ones cannot land on the football field.

Q We want one like the President has.

MR. NESSEN: Where would they land?

MR. HUSHEN: At another airport.

MR. NESSEN: Do you know for sure we can get a pool chopper?

MR. ZOOK: I do not.

Q That little chopper we used to go down to Virginia for the Apple Festival was a pool chopper.

MR. NESSEN: Will the pool have to land at the airport, whether they pool or not?

MR. ZOOK: You can land a small chopper at the staging area, but you can't land a 53 there.

MR. NESSEN: The big helicopters hold 32, but we won't be able to use one as a pool chopper because they won't fit into the football field.

Get on the phone and see if you can get a chopper and five Beechcrafts.

Q Is the objection to the three large helicopters strictly expense?

MR. NESSEN: There is no objection on my part. That is why I am bringing it up for a democratic vote.

Q I can't speak for my management, but if the safe and expedient way to get in there is by chopper, I should think the networks at least would go along with that.

Q The networks will do whatever they do, but we are not taking any part in planning the White House logistics.

MR. NESSEN: Bob, it is not precisely White House logistics. It is a question of trying to be as helpful as possible and arrange the transportation that is the most desired by the reporters.

Q I don't know what the arrangements are or anything else.

Q The point is, Ron, we can't stand here and vote on behalf of the helicopters, a 4000 helicopter, or make a commitment for the networks at this meeting with no notice, on behalf of the networks, for the kind of money we are going to spend down there.

My guess is we would opt for taking our own plane down. We are not going to underwrite the prorated cost by taking extra --

Q We will do whatever we can, whatever it takes. Tell us what the rules are, and we will do what we will do.

MR. NESSEN: Let me suggest this, if I may. Why don't we wait until after the regular briefing and have Ray Zook come out here with whatever late word he has gotten on the availability of a small pool helicopter.

There would be no strong objection one way or the other, would there, whether it is helicopters or Beechcraft?

Q I think the safety factor should be the deciding factor.

MR. NESSEN: There is no safety factor. Obviously, we wouldn't put people in something that is unsafe. We will work it out after the briefing. If anybody has any feelings they want to express, meet with me and Ray here after the briefing.

Q What time should we be at Andrews for whatever travel?

MR. NESSEN: We don't know that until we nail down what kind of transportation we are going in. The plane takes 45 minutes and the helicopters take about an hour and a half, an hour and 15 minutes.

Q These all take off from Andrews in the morning, so if we take our cars there in the morning, they will be there for when we come back at night?

MR. NESSEN: Yes.

Q Will it be from Andrews or National?

MR. NESSEN: Do you mean the 727 to go to Newark?

Q No, the Beechcraft.

MR. NESSEN: Everything will leave from Andrews.

Q Are there Telex facilities in Elkins?

MR. NESSEN: We will check with Pappy.

Q Why couldn't we leave from National?

MR. NESSEN: Well, let's work it all out after the briefing.

I have told you the President is going to go to Knoxville for a White House Conference on next Tuesday. There will be two other events there. One will be an interview with local television and newspaper people shortly after arrival, and the other will be a meeting with the Appalachian Regional Commission, which will follow the White House Conference.

The Appalachian Regional Commission is made up of the Governors of the States of the Appalachian region. They requested this meeting to discuss various Federal policies which relate to their region and primarily to talk about oil, gas and coal production in the region.

Q Excuse me. I think Alabama falls in that category. Does that mean George Wallace will be at that meeting?

MR. NESSEN: At the moment, I have not gotten a list of acceptances. The States, though, are Alabama, Georgia, Kentucky, Maryland, Mississippi and North Carolina, Ohio, South Carolina, Tennessee, Virginia and West Virginia.

The meeting will last an hour and a half. As I say, we don't have the acceptances of which of those Governors will be coming. The meeting will last an hour and a half, and it will be in format similar to the meeting with the mayors of the small towns and suburbs that was held in Skokie, Illinois the other week.

The other item I have is just to remind you that Chancellor Schmidt is meeting with the President at noon. He is meeting with him now, I guess. Chancellor Schmidt is in the United States to address the United Nations General Assembly.

He and the President wanted to take the opportunity to discuss various matters that are of interest to both of them, including the economic situation worldwide, the various Common Market policies, NATO matters and bilateral issues.

The President will have a working lunch for Chancellor Schmidt following the meeting, and we will have a report on the meeting and the lunch later on.

Q Is offset one of these bilateral matters?

MR. NESSEN: I think since the meeting is just beginning, Phil, I will just wait until the report to tell what was discussed.

In answer to an earlier question, there are two Telex machines located in the court house at Elkins, West Virginia.

Q Is Mr. Kissinger attending the meeting, Ron?

MR. NESSEN: Yes.

Q You didn't give us the Newark stuff, Ron.

MR. NESSEN: I think I did, Peter. There is not really much to give. I gave you the arrival time, the hotel and departure time.

Q I was thinking of the return. Could you pin that down a little more?

MR. NESSEN: The tentative departure from the Newark Airport is 9:45, arriving at Andrews at 10:40 and arriving at the South Lawn at 10:55.

Q When is our check-in there?

MR. NESSEN: It depends on what the mode of transportation to West Virginia is.

We now have in the bins -- I think I just saw Thym taking back the statement on the Turkish arms embargo lifting, and the statement on vetoing of the Child Nutrition Act.

Q Both are in the bins?

MR. NESSEN: Yes.

The September unemployment figure, as you know, dropped from 8.4 in August to 8.3 in September. This does, the White House feels, continue a favorable trend of the last -- well, July and August held steady at the same figure. This is a decline.

There was also an increase in employment for the month and this indicates to the White House at least continued economic recovery.

Q Ron, weren't we told before that the lower figures were an aberration?

MR. NESSEN: I think when the August figure came in unchanged from July, I believe you were told that the Administration now felt that perhaps the expected upturn had not taken place or the expected upturn in the figure had not taken place.

Q But this figure is not considered an aberration?

MR. NESSEN: No.

Q Ron, what I had in mind I forgot is, what about the press to Newark?

MR. NESSEN: Everybody gets in the 727 and goes to Newark.

Q As soon as we get off the plane at Andrews?

Q What time do we depart?

MR. NESSEN: The departure time depends on the return from West Virginia, which depends on what mode of transportation is adopted.

Q What do you envisage for the President on Sunday?

MR. NESSEN: A day at the White House.

Q No golf?

MR. NESSEN: It hasn't been planned that far ahead.

Q Tomorrow morning will there be any business of importance that should be covered here prior to the trip to Elkins and Newark?

MR. NESSEN: We will get it for you before long.

Q What is he going to do in the 55 minutes he is back here between trips? Take a swim?

MR. NESSEN: I don't know, Frank, actually.

Q Ron, you suggested yesterday that the President was satisfied that the conflict with the Pike Committee was now resolved, but the Secretary of State apparently is still withholding some information requested by the committee. Is he doing that unilaterally, or is the President --

MR. NESSEN: Are you talking about the Moyat memo or something more general than that?

Q I am talking about what they subpoenaed.

MR. NESSEN: The Moyat memo. At this particular point that difference of opinion is between the committee and the State Department and there is not much I can say about it from here.

Q Congresswoman Spellman charged last night the reversal of her amendment to keep the Suitland Oceanographic Institute here was the result of what she termed the fantastic arm twisting of the Armed Forces Lobby and the White House.

I am wondering why the White House supported -- can you explain why they supported all this expenditure to get that thing out of Maryland and down to John Stennis' district?

MR. NESSEN: I am not aware of the situation, Les.

Q You mean you don't know that the White House is in favor of this?

MR. NESSEN: I have no idea, no.

Q Secretary Simon is quoted today as saying the Administration is growing apparently increasingly concerned about New York City's default and it might carry over and imperil the financial situation of the State, and that might cause the Administration to rethink its position.

What is the position on aid to the State if bankruptcy by the city should drive the State into a financial hole?

MR. NESSEN: I think there are several things to be said about that. For one thing, I talked to Bill Simon today and he doesn't feel that that accurately reflects his views as it was printed. But be that as it may, let me say that there is no change, and hasn't been any, in the Administration's position regarding new Federal financial aid to New York.

What Bill Simon was reported as saying really doesn't change -- it really is basically consistent with what he testified to before the Joint Economic Committee. I think it would be fair to say that the White House does not foresee that New York State will have default problems on its own general credit obligations as long as State officials act with reasonable prudence.

At present, the White House does not foresee that they will have trouble as long as they act with reasonable prudence.

Q Are you also ruling out aid for the State as well as the city?

MR. NESSEN: As I say, you know, I think what Bill feels was he was asked a hypothetical question. But the premise of the hypothetical question was, or is not accepted here -- the White House does not foresee they would have default problems if they acted with prudence.

Q What about what Arthur Burns said?

MR. NESSEN: Let me come to the Arthur Burns statement, but let me say two other things about this.

One, there is really not any legal authority by which the White House can act in this situation but, more to the point, I think what is perhaps overlooked in all of this about how the White House is turning its back on New York City, and so forth, the fact is that the Federal Government assists New York City to the tune of \$3.5 billion a year.

Now the simple arithmetic of that will show you that the Federal Government is currently paying 25 percent of New York City's budget. Now that has gotten lost a bit, I think, in this debate. Payments to individuals, which pass through the New York City budget, including Medicaid, public assistance, food and nutrition and others, amount to \$2 billion a year to New York City from the Federal Government.

Q Is that separate from the \$3.5 billion?

MR. NESSEN: No, I am breaking down the \$3.5 billion for you.

Q It is not really a part of their budget.

MR. NESSEN: I checked that myself, and these payments go through the budget. Medicaid shows in the New York City budget, and of that budget -- let's take Medicaid, for instance. \$1 billion 115 million of New York City's Medicaid budget is paid by the Federal Government. Their city budget is \$12 billion. Of that, the Federal Government supplies \$3.5 billion for payments to individuals, which includes Medicaid, public assistance, food and nutrition, and other amounts to \$2 billion a year.

General Revenue Sharing, New York City's share of General Revenue Sharing is \$263 million a year. Transportation, which primarily goes to mass transit, is \$203 million a year. Education and manpower, \$408 million; and other expenses, other New York City expenses paid by the Federal Government, \$580 million. So that is something I think has perhaps been lost in this, but it is a fact.

Q Do you know the revenue the Federal Government gets from New York City?

MR. NESSEN: No, and I tried to pin that down this morning but was unable to.

I made a mistake when I said -- I will come back to New York City, but let me correct something. Chancellor Schmidt is not here to address the UN. He is here to -- and did last night -- address the United States Council of the International Chambers of Commerce at the Hotel Pierre in New York. That was his purpose for coming.

On the Arthur Burns question, as I understand Arthur Burns' remarks as reported, he is saying that, if the crisis is not resolved it could injure the recovery process. I think on the face of it uncertainty never helps an economy and so the White House shares the view that the matter needs to be resolved as expeditiously as possible.

Q Ron, has a Mr. Vincent Porciento, who heads the Michigan Organized Crime Task Force, been approached about being the new head of the Secret Service?

MR. NESSEN: I have no idea.

Q Ron, these were very good figures; I mean, very interesting. I was wondering, was the President gratified with Senator Buckley's reported statement that he also opposes aid to New York?

MR. NESSEN: He is aware of Senator Buckley's statements, but, you know, the President's views, I think --

Q They just agree, in other words?

MR. NESSEN: I would like to be more fully aware of Senator Buckley's remarks.

Q Ron, were you ruling out Federal assistance for the State?

MR. NESSEN: I could get you the same set of figures or a set of figures showing financial assistance to the State. I think what you are asking is, am I ruling out financial assistance to the State if there were a default; is that correct?

Since the White House doesn't see that New York City will be in default, it is a hypothetical question of the kind --

Q You mean the city or the State?

MR. NESSEN: You are asking about the State and the White House does not see that the State will be in fault of its obligations.

Q What part of the Constitution can you point to that says the Federal Government cannot help a city?

MR. NESSEN: I think it is Constitution and tradition.

Q What part of the Constitution says that?

MR. NESSEN: I think the whole Federal system is based on that. It is not a question of not helping a city. I have just shown you where the Federal Government pays 25 percent of the New York City's budget.

Q This is a prorated basis throughout the country. It is not something special for New York City, is it? It is on for every city?

MR. NESSEN: That is right. I was merely giving those figures to correct perhaps what was an idea that the Federal Government was doing nothing for New York City.

Q It isn't for New York City. You said it was for the individual basically.

MR. NESSEN: \$2 billion for the individuals which is passed directly through the city budget and the other \$1.5 billion in direct payments to the city.

The question is not whether it is unconstitutional to help a city. The question is an extremely complicated one of some sort of Federal backing or guarantee for State or municipal bonds, and that is a complicated legal question.

At the moment, anyhow, as I say, there is no legal authority at the moment to do that.

Q Does the President recognize any public support for his position about non-direct help to New York City?

MR. NESSEN: What do you mean non-direct help?

Q I mean no direct help to New York City itself. He made this point, like in Omaha when he asked the audience at the White House Conference how many Federal taxpayers supported coming to the rescue and bailing out New York City. One person raised his hand and everybody laughed.

MR. NESSEN: It is not a question you take a vote on, Dick.

Q He did.

MR. NESSEN: The President holds these views strongly and he is pleased by the support he has received, and I think the mayors the other day, the small town and suburban mayors, supported that position.

Look at what you are talking about here --

Q The big city mayors didn't support his position.

MR. NESSEN: -- you are talking about the taxpayers of Montgomery County, Arlington, Peoria, and everywhere else, dipping into their pockets to pay New York City's expenses. That is what it amounts to.

Q Does he value the counsel of those suburban mayors he met with in Chicago the other day more than he does the group that came from the U.S. Conference of Mayors?

MR. NESSEN: As I say, it is not a situation you take a vote on, Tom. This is his view, and he feels it is justified on both legal grounds and on financial grounds.

Q He opposes specific Federal aid for New York City, but there is legislation being developed in Congress that would aid all cities under a formula whereby the Federal Government would guarantee State obligations.

It would be a Federal guarantee similar to a corporation that provides low interest loans for Lockheed that would aid not only New York City, but other cities in financial trouble.

Is he opposed to that concept, or is it just the specific aid for New York City he doesn't like?

MR. NESSEN: I am not familiar with the bill and would rather not give his position on the bill since I don't know it. In this particular situation, he is opposed to the kind of aid for New York City that is being talked about.

Q Has he, in any way, or anyone in the Administration spelled out how New York can prudently solve its problems?

MR. NESSEN: I mean, Les, there have been endless meetings here with the mayors and the Governors, city and State officials, and at one meeting a fair number of suggestions were listed. I must say that his position is not only should not the Federal Government step in and bail out New York City, but he doesn't feel that the Federal Government ought to be giving instructions to New York City as to how to cure their problems.

Q You say the White House does not see the State of New York defaulting. How about the City of New York? Does the White House have a feeling as to whether the city will be in default or not?

MR. NESSEN: I don't know what the view of that is. I think Simon and Burns and others have spoken on it. Maybe I can help with Fran's question about weekend plans here now.

Tomorrow, the President is going to see some personal friends in the morning and then to Blair House to pay a farewell call on the Emperor and Empress before they leave for a tour around the country.

Q Will that be outside, open, or how will that be handled?

MR. NESSEN: I haven't got the exact plans yet, Peter.

Q Will a travel pool go over there with him?

MR. NESSEN: Either a travel pool or open coverage.

Q Who will be the President's representative in their travel?

MR. NESSEN: The President's representative would be a lot of State Department people, maybe Henry Catto. We will check that for you, Dick.

Q There is not going to be a joint statement, is there?

MR. NESSEN: It is possible there may be something. I don't know what the exact form will be.

Q Can I go back to New York for a minute?

MR. NESSEN: Yes.

Q Is the President concerned that his position on New York is going to cost him political support from the Northeast?

MR. NESSEN: I don't think it has ever been thought of in those terms, Dick.

Q Ron, you stressed today there is no change and hasn't been any. You are not saying, though, that there might be any, are you? I mean, you already have Mr. Simon and Mr. Burns talking somewhat differently this week than they have before.

MR. NESSEN: I am here to assure you there has been no change in the Administration or the President's position.

THE PRESS: Thank you.

END (AT 12:25 P.M. EDT)