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JANUARY 29, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced that he strongly endorsed repeal of federal legislation which enables states to enact Fair Trade Laws and indicated support of Senator Brooke's bill to achieve such repeal. Similar legislation will soon be introduced in the House of Representatives.

The Miller-Tydings Act, which was enacted in 1937 and the McGuire Act (1952) which modified it, permit States to establish laws allowing manufacturers to dictate the retail prices at which their merchandise can be sold. This has the effect of eliminating price competition and raising the costs to the consumer on numerous commodities such as drugs, books, hardware, clothing and shoes. It is estimated that the elimination of such laws can save consumers between \$1.5 and \$3 billion a year.

This legislation is one of a number of laws for which recommendations for change will be considered in the coming months as important elements of the President's economic program. The President believes that the elimination of restrictive Government practices and the reform of out-dated regulations is essential if we are to combat inflation and return our economy to stable growth and prosperity.

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