

March 11, 1975

Office of the White House Press Secretary

NOTICE TO THE PRESS

The President met in the Cabinet Room with his Economic and Energy Advisors from 11:00 a.m. to 12:15 p.m. A variety of subjects were discussed and a brief summary of that meeting follows:

The President opened the meeting by welcoming Dr. John Dunlop.

Secretary William Simon then reviewed the House Ways and Means tax bill. The President reaffirmed his position on the depletion allowance, that being we must not add numerous amendments to the tax bill. The major emphasis now must be to get a tax rebate to the American people. The American people should not be penalized, and if depletion is to be discussed, it should be discussed in depth and as a separate subject.

There was a detailed discussion on imposing countervailing duties on the European Community (EC) dairy products. Following the discussion, Secretary Simon made his recommendations to the President. A final decision can be expected in the next ten days.

Administrator Frank Zarb then reviewed Eximbank financing of liquid natural gas facilities. There was discussion about our recommendations with respect to the Export-Import Bank financing of energy projects which could be inconsistent with our energy objectives to achieve invulnerability by 1985. The President asked for additional information before making any final decisions.

Mr. Zarb briefed the President on the current status of negotiations between the Administration and the House Ways and Means Committee, the Senator Pastore task force, and other Congressional interests. Mr. Zarb stated that he is hopeful that a compromise can be reached in the next several weeks.

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Director James Lynn reviewed the current status of budget rescissions and deferrals and pending legislation including the Emergency Employment Appropriations Act, which will affect the budget deficit. The President then stressed that the Administration must keep a correct score card on budget actions.

Participants in the meeting in addition to the President include:

The Vice President
William E. Simon
L. William Seidman
Alan Greenspan
James T. Lynn
Arthur F. Burns
Frank G. Zarb
John T. Dunlop
Robert T. Hartmann
Brent Scowcroft
Don Rumsfeld
Max Friedersdorf

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