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THE WHITE HOUSE

INTERVIEW OF THE PRESIDENT

BY

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AT 3:00 P.M. CDT

QUESTION: Mr. President, you are in Milwaukee for this, the Seventh of the White House Conferences. I know the economy is on the minds of just about everybody in the country right now, and since we are a little bit in advance in your appearance this afternoon, can you give us any kind of a preview of your message of hope you have given to the people?

THE PRESIDENT: Let me say, Ron, that overall we have made very substantial headway in cutting inflation from last year's rate of about 14 percent down to an annual rate today between 6 and 7 percent. This is a lot of progress, and we are going to continue making progress, in my judgment, despite the last announcement which was a little disappointing, but I think that was for various reasons a unique report in the overall approach to solving the problem of inflation.

In the area of unemployment, we, of course, are very much against any unemployment rate of about 8.5, 8.6, but I think we have to be also fair to say that in the last four months the total number of people gainfully employed has gone up about 1 million 200 thousand.

So long as we keep the number of employed going up, we are going to be able to gradually reduce the number of people unemployed. Now, as we look at the overall indicators, the gross national product, industrial purchases, housing starts and other indicators, I am convinced that we have bottomed out, and we are starting an uphill approach to a better economic system, a better economic environment and some encouraging news for all people.

QUESTION: I gather from your statements in Chicago earlier this morning you are pleased with the speed of that upward swing?

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THE PRESIDENT: As a matter of fact, it is reasonably on schedule. Some disappointment but overall, I think we are moving ahead in a constructive way. It does not mean, however, that we are satisfied with the current employment rate, and we are not satisfied with the increase in the cost of living, but if you look at the overall, the kind of progress we have made in the last 12 months, we are doing quite a bit better. I am sure with the policies we have, the cooperation of the Congress, we are going to have a healthy economic situation on the growing basis in the months ahead.

QUESTION: We are walking sort of a tight rope in our economy right now. We can't over heat the economy, of course. There is a current tax cut on the books now which ends the end of this year.

Do you see a further tax cut next year?

THE PRESIDENT: That is a decision that I will have to make and the Congress will have to make. I think it is a little premature to make a final decision. If we need a further stimulant in the economy beginning on January 1, 1976, then I would recommend that current tax cut be extended for another year.

On the other hand, if we have to keep some additional pressure on inflation, then the judgment most likely would be otherwise.

So until we get several more months of readings from the economists and all of the technicians, I think it is premature to make any categorical commitment.

QUESTION: Mr. President, the opening remarks made at this morning's conference whereby the AFL-CIO leader of the State, and he was very critical of your Administration, particularly, for what he said there, what he indicated were a callous disregard for the unemployed, saying that there is a 35 percent unemployment rate among the skilled trades here.

What would you say if you were speaking to an unemployed worker in Milwaukee today?

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THE PRESIDENT: I noticed the newspaper story where the gentleman was quite critical. I think he indicated the rate of inflation when a Republican Administration took over was about 4-1/2 percent, where the unemployment rate was about 5 percent, saying that when Republicans took over from the Democrats conditions were good, unemployment was down and inflation was less.

I think it is fair to say that you ought to put those figures in perspective. In 1969, when a Republican Administration took over from a Democratic Administration, we had 550,000 young men fighting in Korea, and we had a military force on active duty of over three million men.

Today, of course, we have nobody fighting in Korea or Vietnam, and we have about two million one hundred thousand on active duty in the Army, Navy, Air Force and Marines.

I think you have to put all of these factors in perspective. I hope, with the policies that we are following, we are going to get unemployment down, employment up and the rate of inflation under control.

I think it is an unfair criticism to say that I have a callous disregard for the unemployed. This Administration, during my 12 months, has recommended the extension of unemployment compensation from 39 weeks to now 65 weeks.

We have broadened the eligibility so more people are covered under unemployment compensation. I think this is an indication that I and the people that work with me are very concerned about the unemployed, but more importantly, the policies that we are advocating and urging Congress to enact, in my opinion, would get our economy moving again without any difficulties internationally.

QUESTION: This morning in Chicago you indicated that perhaps there should be a creation of many more jobs by 1980. Will there be some legislation coming from the Administration to do that?

THE PRESIDENT: Yes, all of the technicians tell me that if we are to create more jobs we have to get more money invested in business because business buys the equipment and provides the factory and provides the wherewithall for the expansion of business throughout the United States.

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Secretary Simon recently appeared before the House Committee on Ways and Means and indicated that we favor new legislation for the creation of funds for job formation, job creation. That legislation is before the Congress. I hope they act affirmatively.

QUESTION: Mr. President, one of the job bills or one of the bills that the construction industry here in the State of Wisconsin is vitally interested in is Senate Bill 1479, which many of the contractors feel would provide for an illegal secondary boycott.

There have been some direct appeals, I know, to your office on 1479. Have you reviewed the bill? Have you made any kind of decision as to whether you will veto that bill or let it go by?

THE PRESIDENT: About three months ago, Secretary of Labor Dunlop appeared before the House and Senate Committees on Education and Welfare and he testified that if the original so-called situs picketing bill were modified with three amendments--at least two amendments--it would be acceptable.

One of those amendments would provide that before you could have on-site picketing, it would require a ten-day cooling off period.

The second provision that would be mandatory as a part of the bill would be that no local could go on strike under those conditions without having gotten prior approval from the international.

In my opinion, those two added amendments would make that bill acceptable, plus one other factor: There is also a bill that the Secretary of Labor is working on, with both management and labor, which in effect provides that there shall be greater responsibility for both labor and management on strikes and lockouts.

If that second bill comes to the White House with the original bill, plus those two amendments, then I think we have put together, working with management and labor and the Congress, an acceptable solution to this longstanding conflict.

QUESTION: Mr. President, I have sort of a philosophical question here. We hear from a lot of people at our television station, the three of us do, and the people seem to feel that Government is getting so big and impersonal and unresponsive that there is a frustration there, even a hopelessness.

How can we come out of this? How can we bring people closer to the Government?

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THE PRESIDENT: I recognize the feeling that you detect here in Milwaukee, and I find it in my travels around the country. The public feels they have to fill out so many forms, answer too many questionnaires, they are bedeviled by too many Government inspectors, et cetera, and I suspect that is true.

What I think we have to do is to reduce the number of forms that people in business and otherwise have to fill out. It is hard to believe, but there are about 5,200 forms that are sent out by various Government agencies.

I think that is too many. It takes more time than the effort is worth. I believe that some Federal employees are too officious, too demanding. I think that attitude has to change.

In addition, I personally believe there are too many Federal employees, and I am glad to report that the request I made to the Director of the Office of Management and Budget that we had to cut down on the number of employees resulted in a cutback of 52,000 from the planned level. So, we now have 52,000 less Federal employees than was planned a year ago.

In these ways, I think we can restore or rebuild confidence, at least in the Federal Government, and I honestly feel that State and local units of Government have to adopt the same attitude.

QUESTION: I think one thing that worries them, too, is they see a Democratic Congress, a Republican Administration, and on our major issues, we have stalemates now. Do you see any way out of this?

THE PRESIDENT: I wish I could give you a pat answer. Unfortunately, in some areas there is good cooperation, but in other areas we have a stalemate.

In the energy program, there is a head-to-head stalemate. I have a program to solve our energy program. It has been on the desk of the Congress for eight months now, but no action.

I said, if you don't buy my program, if you won't enact what I have recommended, come up with something else. At least have a program as an alternative.

Regrettably, they have not either approved mine and they have not come up with an alternative. Now that kind of stalemate is intolerable. I tried to phase out the control of old American oil by first a 30-month phase-out and then a 39-month phase-out in an effort to compromise, but the Congress rejected both offers.

I honestly think we have got to find some way. Otherwise, if we don't have an energy program to make us self-sufficient over the next ten years, we become more and more vulnerable every day to the whims and fancies of foreign oil cartels, and that is not good for the security of the United States.

QUESTION: Mr. President, Secretary Kissinger is in the Mid East and reportedly very close to working out an agreement in the Sinai between Israel and Egypt which may include the stationing of Americans between the two forces.

Do you find that there may be some sort of a backlash if that were attempted from either Congress or the American people?

THE PRESIDENT: What I say in answer to that question, I do not want to be construed as an affirmation that that is going to happen.

There have been rumors in the newspapers, and I have heard it on radio and television, so what I say does not confirm or deny that as a possibility.

There has been talk that there would be American civilians, very limited in number, who would operate technical warning stations in the U.N. zone.

As I say, that has not been decided. It has been rumored.

If it does materialize, I think it is my responsibility if I approve it, and it does take place, to submit it to the Congress for the Congress to say yes or no.

We are not going to have any more action by the President. not joined by the Congress. They have to be a partner in this kind of an operation if it does materialize.

When I say "a very limited number", I am thinking maybe 100, 150, as I have read the papers, and they would all be civilians and they would be in a U.N. zone, not with the Israelis, not with the Egyptians.

So if it happens, I would ask for the concurrence of the House and the Senate because it is a very important step, and then we will decide whether it is necessary, whether America wants to make that contribution to our security.

QUESTION: But they would be American citizens there, and were there a problem of kidnapping, as the MAYAGUEZ incident, or something like that, American forces would have to go in to get them out. Is that a proper assumption?

THE PRESIDENT: Well, I really do not want to get into those details. You can always conjure up some very serious situation. But until we get down to the final signing, I think it is premature for me to make any assumption or conjecture concerning that situation developing.

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QUESTION: Mr. President, let's talk politics for a minute. (Laughter) I know it is one of your favorite topics. While you obviously will take back some interesting grassroots feedback from a conference like this, a trip like this has to have some political advantage, too, I suppose.

Are you heartened by the Harris Poll which now is out which I think shows you with a 55 to 34 edge over Governor Reagan, or former Governor Reagan?

Do you feel good about your political position right now?

THE PRESIDENT: I do feel encouraged, and that poll this morning that came out in a number of newspapers was very good news. But that only means that what we try to do does have some appeal, and I can only say that what we do in the future is more the basic criteria.

Naturally, I do want to get nominated, and I can assure you, if nominated, then we are going to put on a very hard campaign, so that news is good, but we have what, about 14 months to go before the election and about a year before the convention.

QUESTION: By the time the primaries roll around though, I am assuming we will see you on the Wisconsin ballot?

THE PRESIDENT: The probability is that I will enter a number of primaries, which ones is difficult to forecast right at the moment.

I love a good political campaign. I like to campaign, but I think it is too early for us to make any categorical commitment as to which primaries or all the primaries.

QUESTION: Back to an international issue, Mr. President, the continuation of detente with Russia under your Administration has been criticized that Russia has the advantage in this.

How do you look at that?

THE PRESIDENT: I categorically deny that. Detente as it has proceeded, is a two-way street. It cannot answer every question that arises in the international scene, but detent has been very helpful in easing and relaxing tensions between the Soviet Union and ourselves.

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In my judgment, there has been a balanced give and take by the Soviet Union and by ourselves. I can assure you that in the process of negotiating the strategic arms limitation agreement number two, there will be no unfair advantage gained by either side.

It has to be a completely fair and equitable reduction in strategic nuclear capabilities, but it is also important to understand that if we don't get a SALT II agreement, it means that the arms race continues, that we, the United States, will have to spend roughly \$2 to \$3 billion more a year to keep even with the Soviet Union in their planned strategic arms program.

So, it is to the advantage of both sides, the Soviet Union and ourselves, to put a cap on the nuclear arms race, as Mr. Brezhnev, and I did on a temporary basis at Vladivostok in December of last year.

I can assure you that we will be tough Yankee traders, and I expect them to do the same. The net result will be a responsible cap on the nuclear arms race. If we do that, it makes our overall economic picture, our overall budget picture, a great deal sounder and better.

QUESTION: On arms limitation, how do you look at it right now? Can we be optimistic, pessimistic? We have worked on it so long.

THE PRESIDENT: I am optimistic, but I recognize there are some yet controversial issues and some technical matters that will satisfy both sides. We have to be able to have a high degree of capability of verification as to whether or not the Soviet Union is living up to the promises made if and when a SALT II agreement is made.

We have a tremendous technical capability in this regard, through a variety of means. I am sure they feel the same way.

If the technical problems of verification, if other matters of balance are worked out -- and I think it is possible -- I think we will have a SALT II agreement.

QUESTION: Mr. President, there have been many things written and said across the country and here in Milwaukee about some recent viewpoints expressed by Mrs. Ford. You are quoted as saying that you think perhaps those remarks may have cost you some votes or something.

What kind of an effect has that had, sir?

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THE PRESIDENT: Those remarks to which you refer, I said, kidding her. She has a good sense of humor, and she understood my remarks were in that atmosphere.

Let me just again put this in proper perspective. Our family, my wife, our four children and myself, are very close. We have a tradition in the family of individual members of the family speaking their mind, discussing their matters with their children, with their mother or father, and we speak quite frankly to our children.

The family is closely knit. We have great affection and admiration for one another, and certainly I couldn't have had a finer marriage. My wife and I have been married almost 27 years now, I guess, and we have a minimum of differences, but we have a frank expression between ourselves.

What Betty was really trying to say was because of the closeness of our family and the understanding between children and parents, we are deeply concerned about the moral standards by which the family has been raised.

In that atmosphere, her discussions with any one of the four children are aimed at making sure -- positive -- that the moral standards that we have lived by and believe in are adhered to.

I think there, unfortunately, has been a misunderstanding. We are proud of the family. We think we have a high moral standard within the family, and we are close as a family and, at the same time, we have a give and take among the children, as well as among ourselves.

So, I am real proud of what Betty tried to say and I regret there might have been some misunderstanding of what she did say.

QUESTION: This is the first appearance you have made on local television in this kind of an interview, and one of your aides is quoted in the Wall Street Journal as saying you are doing this because you are dynamite on television. Do you feel you are dynamite?

THE PRESIDENT: I am not the best judge of that. (Laughter) I just like to meet with people like yourselves and try to explain my views, our policies, and I enjoy the opportunity to have a give and take with top newsmen in a region like Milwaukee.

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QUESTION: We have been addressing ourselves mostly to the give here during our meeting. I wonder if you could give us an idea, Mr. President, of what you hope to take back to Washington with you from Wisconsin.

THE PRESIDENT: This White House Conference, as I understand it, has 19 co-sponsoring organizations. I hope to answer a question from each one of the 19.

If I do, I will get a flavor of what those organizations feel about our policies, or what we are trying to do.

I am sure I will get, as I have in the past, written reports from all of the other Conferences. So, I am not going to prejudge until I have participated, until I have seen the written reports from those that have participated.

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QUESTION: One of the groups you are likely to hear from would be the consumers and your Secretary of Agriculture, Mr. Butz, this morning assured us the farmer was doing his part to hold food prices down, but that there are almost uncontrollable costs in terms of labor and transportation and middleman costs.

Do you plan any kind of direct action, legislative action to try to control that kind of price pressure?

THE PRESIDENT: I think competition is the best way to solve that. Farmers have contributed magnificently. With their full production program, we are going to have the biggest wheat year in the history of the United States, the largest corn year, and I think soybeans will be a record crop.

So the farmers have contributed. I hope that others that take the farm product from the farm to the home will equally contribute to make good food in America, delivered as cheaply as possible.

QUESTION: Mr. President, your Michigan Wolverines are coming here to Wisconsin. They are opening our season with the Badgers.

Do you want to predict the outcome of that game? We would like to win the first game -- start it off right.

THE PRESIDENT: I know that Wisconsin, the Badgers would love to win. It brings back a game, the only game I played against Wisconsin in 1934, and they defeated us at Ann Arbor. That rivalry is great. I am a little prejudiced for those Wolverines, but I think it will be a great game, and I understand the Badgers are going to be tougher this year.

QUESTION: They smell the roses.

THE PRESIDENT: We better be a little cautious and go to work between now and then.

QUESTION: Come see the game.

THE PRESIDENT: I would love to.

QUESTION: Mr. President, a North Carolina Republican Chairman said last night that he felt there was a consensus of the Southern Republican leaders in the meeting over the weekend that Mr. Rockefeller should not be on the ticket in '76.

Does that give you any cause for concern? Will you be talking about that with the Republican leaders of the State later on this afternoon?

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THE PRESIDENT: I will express, as I have before, that I think Nelson Rockefeller has done an extraordinarily good job as Vice President. He has lived up to my expectations, he works hard, he has a lot of ideas, he has a lot of energy. He has been a good teammate. And you know I just do not like to break up a good team.

QUESTION: The meeting that you have with the Republican leaders later on perhaps will bring up some conservative sentiment. There is some in Wisconsin.

Do you expect any questions about perhaps Mr. Reagan's challenge in the State?

THE PRESIDENT: Of course, I think I am a middle of the roader or conservative, and I am a practical conservative with, I think, a good orientation toward the solution of problems in the international field.

I will be glad to answer any questions the most conservative people want to ask because I am a practical conservative with a middle-of-the-road orientation. I think that is the only way a Republican can win a national election.

QUESTION: Mr. President, our time is just about up. We want to thank you for being with us this afternoon and answering our questions. Thank you very much, sir.

THE PRESIDENT: Thank you, Don, Ron and John. I appreciate it very much. It has been a good experience.

THE PRESS: Thank you, Mr. President.

END (AT 3:33 P.M. CDT)