

PRESS CONFERENCE NO. 26

of the

PRESIDENT OF THE UNITED STATES

4:00 P.M. EST
February 13, 1976
Friday

In the Grand Ballroom
At the Sheraton Orlando
Jetport Inn
Orlando, Florida

THE PRESIDENT: Thank you very much. Why don't we all sit down and relax.

Joe McGovern, members of the Sigma Delta Chi, my former colleagues in the House, Lou, Skip and Bill, distinguished guests, ladies and gentlemen:

I am extremely happy to be back in the Sunshine State and likewise, as far as the City of Orlando is concerned, I have been here a number of times, but before we begin the questions, I have one announcement.

The International Chamber of Commerce has decided to hold its 1978 annual convention here in Orlando. It is expected that the convention will generate about a million dollars for your local economy.

The United States Travel Service, a division of the Federal Department of Commerce, was instrumental in attracting this convention to the United States, and your own outstanding facilities made Orlando the final choice of the International Chamber.

I think this is an excellent example of how Government and the private sector can work together toward a common goal.

I congratulate the City of Orlando, and I am pleased that we were able to play a part in this successful venture and effort.

For those brief observations and that good news announcement, I will be glad to respond to the first question.

MORE

QUESTION: Mr. President, a two-part question, sir.

Since you took office, you have lashed out somewhat, of course, at Congress for its slowness in investment of a research and energy conservation plan. We now understand from ERDA that it will be possibly more than six months before the site for the solar research center is chosen and that politics has entered into the picture so much in that site selection that all the States in the Union may soon join in that competition.

The question is, sir, is the pot -- meaning the Ford Administration -- calling the kettle black?

THE PRESIDENT: Let me get to the process and procedure for determination for the site of the solar research center.

ERDA, under Dr. Robert Seamans, is in the process of preparing the criteria which will be distributed to all applicants for participation in the solar research center. It is expected that the criteria will be developed and made available within several weeks or a month.

Following that, any city, any State, any combination of Governmental units can apply on the basis of the criteria, the technical criteria that has been established by the Energy Research and Development Agency.

As I said, it will be two to four weeks before the criteria are out. It will probably be six months or so after all applications have been received before ERDA can make a final decision.

That decision will be made as rapidly as possible. We want to move ahead as quickly as possible because solar research and solar techniques are very important in our long-range energy program.

MORE

* QUESTION: Mr. President, would it possibly be in the best interest of the country's taxpayers to develop the center here in Florida, in Brevard County, with the expertise of the Kennedy Space Center is nearby, and particularly as Broward County maintained a 17 percent or more unemployment rate?

THE PRESIDENT: Certainly, Broward County and the whole area have many, many assets that certainly will be important at the time they submit their application under the criteria established by ERDA. But it would be ill-advised and probably completely wrong for me to make any commitment on behalf of ERDA because that is a technical decision. I am sure that the application will be a good one. I am certain this area will get excellent consideration, but it would be, I think, wrong for me to make a decision other than to say I know you had lots of sunshine.

QUESTION: Mr. President, you have given the first of some special messages to Congress on the problems of the elderly. What kind of help do you propose to help Florida's many senior citizens?

THE PRESIDENT: In the first place, I fully agree with whatever the increases in Social Security benefits will be under the cost of living escalator clause. That will take place later this year. I fully concur with that.

Number two, I happen to believe it is vitally important for us to make certain that the Social Security Trust Fund is fully funded. At the present time, it is running in a deficit of about \$4 billion per year. Sometime in 1980, if we don't do something, the funds will be depleted. I have recommended one proposal to make sure--to make positive--that those who are retired and those who are to be retired will have a continuous flow of the benefits under Social Security.

Number three, I have recommended that we incorporate in the law a new program to take care of roughly the 3 million individuals, most of whom are among our older citizens, who are suffering from what we call catastrophic illnesses. At the present time, there is no program to take care of those who have expanded and serious illnesses. I have proposed a catastrophic health care plan that will take care of about 3 million people under Medicare. I think it is a good proposal and I hope the Congress will respond to it.

In addition, I have recommended good funding, I think, for what we call the Older Americans Act. It has a wide variety of services that are incorporated and I hope the Congress does as I have recommended in the funding of those programs.

MORE

QUESTION: On the health care plan you mentioned, Dr. Hobert Jackson, Vice President of the National Council on Aging, said in Gainesville that your health care program has some good concepts, but, in effect, it would help only one in every 300 people affected.

THE PRESIDENT: As I understand it, it would help, very specifically, 3 million out of roughly 24 million. Now the good part of it is that these 3 million are the ones who are most adversely affected by the cost of two, three and five years of extended care in mounting doctor bills. It seems to me that we ought to put special emphasis on taking care of those tragic cases where you have extended illnesses.

In the meantime, under Medicare, there still would be a health care program for those who participate. But we put a new tilt, trying to be helpful to the people affected with a catastrophic illness.

QUESTION: Mr. President, not too many years ago another American President put a challenge fourth to this country and put a man on the moon, technology met that challenge, as you know that task was met. The Project Independence was recently launched to make this country self-sufficient. This is failing and failing miserably. Why is it failing, Mr. President? Why can't this country be energy self-sufficient and would you put a timetable on that?

THE PRESIDENT: In January of 1975 in my State of the Union Message I laid out a ten year program. I have a number of specific items that, if Congress would respond, we could become energy independent in ten years, by 1985. Unfortunately, the Congress dilly-dallied, day after day after day, and finally in December they passed a partial answer to the request that I had made in January. The bill which I signed is a base from which we can operate. It provides for some conservation. It provides over a 40-month period, for increased production, domestically, and it has some conservation features.

On the other hand, it has done nothing to deregulate natural gas. Tragically, we had a setback a week or so ago in the House of Representatives, but we hope we can retrieve that. That would be something that I recommended Congress should do. In addition, I have recommended for the Energy Research and Development Program \$2 billion, 900 million. It is about a 30-some percent increase in research and development funds for energy, including solar, geothermal, fossil fuels, nuclear energy. And if Congress appropriates the money, it will move us ahead in those fields as well as several other exotic fields. In the case of solar energy, the increase in research and development funds was over 40 percent. So we are trying to move ahead in conservation, in increased domestic production, the greater utilization of coal in research and development for the long term. Although the Congress did not respond as well as I would have liked last year, I think we will make more headway in 1976.

MORE

QUESTION: Do you have any timetable in mind on that, sir?

THE PRESIDENT: If the Congress would pass all the things I recommended, we would be well on our way to energy independence by 1985. Even though they have been a little slow, I am always an optimist that they will begin to move.

QUESTION: Mr. President, I have a two-part question concerning UN Ambassador Daniel Moynihan. Would you comment on James Reston's report that while you were publicly praising Ambassador Moynihan, you and Secretary Kissinger deplored his actions?

THE PRESIDENT: Secretary Kissinger and myself, both publicly and privately, repeatedly endorsed the positions that Ambassador Moynihan took and the way he handled his job as Ambassador to the United Nations. I think the best evidence of that is what Ambassador Moynihan said on many occasions subsequent to his letter of resignation where he fully indicated that I had supported him, that Secretary Kissinger had supported him. I think the new Ambassador who will succeed him will carry out the same policy or policies of strength in the United Nations, trying to break up the block voting, making certain that the position of the United States is strongly put forward and that we don't take a back seat to anybody.

Pat Moynihan did a fine job and his successor will, too.

QUESTION: Along that same line, on the question of appointment for a new UN Ambassador, the Sentinel Star here in Orlando has called on you editorially to appoint an eagle and not a pigeon. Which will it be?

THE PRESIDENT: The first Ambassador I appointed to the United Nations was Pat Moynihan. I guess Pat would fall under the heading of an eagle and I can assure you, as I said a moment ago, that his successor will be just as strong, just as firm, as Pat Moynihan.

MORE

QUESTION: Mr. President, you already touched on deregulation of natural gas. The oil industry is pushing Congress and Government to deregulate natural gas. This would increase the cost to user States like Florida considerably. It would go at least from 50 cents to \$2.00.

Now what effect would this have on consumer prices and what effect would it have on the people of Florida?

THE PRESIDENT: I think it really comes down to this. We either have American natural gas or you use foreign oil. I think the American people would rather have American natural gas than to pay high prices they are paying for Middle Eastern oil at the present time. If we deregulate natural gas in the United States, we will increase the supply and the price increase will be moderate, and we will control it, but if you rely and continue to rely on Middle Eastern oil, the price is out of our control. It is in the hands of the Arab OPEC nations.

So I would rather put my gamble on American products right here at home than to depend on the whim and fancy and the price increases of Arab oil.

QUESTION: Do you think natural gas would replace a lot of oil supplies?

THE PRESIDENT: I think if we give the people who are seeking to develop more American gas and oil wells--if they have a fair price--will develop a greater source of supply. No question about it. But if we keep the price down, it is uneconomical for them to drill. We have to give them an incentive. And I would rather give the incentive to American oil and gas people than I would to OPEC Arab oil drillers.

That is just what it amounts to.

MORE

QUESTION: Mr. President, I am from your home area, Traverse City. I interviewed you before you were President. It is nice to see you as President.

Secretary of the Treasury William Simon was here yesterday, and he mentioned he would like to see income tax -- a personal income tax -- based on a straight, no deduction percentage.

Was that his idea or was that a trial balloon he is sending up for the Administration?

THE PRESIDENT: The Secretary of the Treasury, who is a most able member of my Cabinet, has talked to me about this proposal. I think there are some good features in it. But, I think it ought to be researched more. I think it ought to be staffed, as we say, among more people than just one individual.

Such a study, if it is not already underway, will get underway, but I think it is premature to make any commitment until we have a final evaluation. I can tell you that Secretary Simon is pushing it, but we have not given any green light to the submission as far as the Congress is concerned.

QUESTION: The second part of the question might be, do you have a tax revision plan?

THE PRESIDENT: The Secretary of the Treasury has testified on a number of occasions before the House Committee on Ways and Means, and I think the Senate Finance Committee, with some guidelines of this Administration concerning tax reform and tax revision.

The House has passed a bill. We like some of it. We don't like other parts of it. We think the Internal Revenue Code could be simplified. But, we are working with the Congress not only on our ideas but some of the things that have come out from the Department of the Treasury.

In the State of the Union Message that I gave a month or so ago, I did recommend some tax changes, one of them to provide an incentive to industry to build new plants, buy new equipment in high unemployment areas, giving them a more rapid amortization.

I also recommended tax changes that would permit individuals to buy stock in American corporations to become owners and get a tax deferral during that period of time. I think we ought to broaden the ownership of American industry. That was another tax proposal, and we will be coming forth with some others as the session progresses.

MORE

QUESTION: Mr. President, we are told you are only going to make two visits to Florida before the March 9 primary. Are you confident that only four or five days of campaigning in Florida can win you the primaries, especially when most political observers see the Ford-Reagan contest as a toss-up in this State and that many reports have surfaced that your Florida campaign is in disarray?

THE PRESIDENT: Let me make two very categorical comments.

Number one, I think I will do well in Florida.

Number two, my campaign organization is in good shape.

Lou Frey has done a good job. We have supplemented his staff with some additional people because it is getting closer and closer to March 9. Therefore, I think our Florida organization will do a good job, and I think we will win in Florida.

Now, I happen to believe that coming down here on this trip and possibly another one is important. That is why I am here. But, I must say my principal job is to continue to be an effective President.

It is more important that I attend to the many, many responsibilities as President and on weekends or on quick trips I will try to come down, as I am on this occasion.

But, my principal responsibility is to make sure that our domestic and international policies are carried out in the best interest of the country as a whole.

QUESTION: Today you vetoed the \$6 billion public works bill that was designed to create 600,000 new jobs. Are you confident that the Nation is making a good enough economic recovery that no new Federal jobs program will be needed?

THE PRESIDENT: Let me say we have had some excellent news last week. We got an indication that the unemployment rate had dropped by half a percentage point, the best record in 16 years of a drop. In addition, we have 800,000 more Americans gainfully employed in January than we had in December, and two million, 100 thousand more since last March.

The unemployment trend is down. The employment trend is up, and we are very encouraged. Then we had some good news this morning.

MORE

The Wholesale Price Index showed no increase, which means that no increase in January, 1.4 percent minus in December and a zero increase in November. So, for the last three months, a quarter of a year, we have had a minus movement as far as the Wholesale Price Index is concerned.

So, both employment and unemployment and the Wholesale Price Index were doing very well, and I am optimistic that if we keep the economy going the way it is going, there is no need for a \$6 billion inflationary, so-called jobs bill.

It seems to me if you add \$6 billion to the Federal deficit, which that bill would do, all you are doing is helping to reignite the fires of inflation. In that bill for every job it will cost the Federal Government \$25,000.

I think the better way to solve unemployment is to make certain that the private sector of our economy, where five out of every six jobs exist, gets some inspiration and some incentive and, if the Congress would pass the tax proposal that I recommended, we would be a lot better off in this, I think, inflationary, so-called jobs bill.

QUESTION: Mr. President, Senator Tower of Texas was in Orlando campaigning on your behalf earlier this week. During a news conference here he said your candidacy could survive a loss here in Florida but Ronald Reagan could not.

The first part of my question is do you agree with his assessment, and the second part of my question is what effect would a Reagan victory in Florida have on your candidacy?

THE PRESIDENT: It would be a disappointment because I think we are going to do quite well here. But, losing Florida -- and I say again I don't think we will -- but losing Florida won't deter me one bit from continuing the effort right up to the last vote in Kansas City in August.

I am going to be in this ball game up until the whistle blows, so I think we are going to win in Florida. Even if we lose, we are going to keep campaigning, and we are going to keep in the ball game, and we are going to get the nomination.

QUESTION: As to a possible victory by your campaign here in Florida, what effect would that have on Ronald Reagan's candidacy?

MORE

THE PRESIDENT: I am not really the best judge of what the former Governor will do. I think it will be a very serious disappointment to him, but I would not want to prejudge what his actions might be subsequent to that.

QUESTION: Mr. President, Governor Reagan's Florida campaign manager said this week you were trying to buy votes by offering an Administration post to a prominent Florida conservative, Jerry Thomas, who endorsed you this week. Have you offered him a post, and what is your reaction to the Reagan campaign's charge?

THE PRESIDENT: I first want to say I have known Jerry Thomas for a long time. I campaigned with him when he ran for Governor several years ago. I was trying to help the Republican Party down here in Florida. He was the candidate for Governor.

I was impressed with him then and I have been impressed with him all along. We talked to him some months ago about joining the Ford Administration. It looks like such a possibility will take place.

I think he will make an excellent top executive in the Administration, and I am very honored and very pleased with his endorsement because I think he is a successful State Legislator.

He was a good candidate for Governor, and he has been a very successful businessman, and I think we will be lucky to get him, and I am very pleased with his endorsement. I think the charges by some campaign manager are completely without foundation.

QUESTION: Mr. President, all of the candidates who have campaigned in central Florida have criticized your policy, the Administration policy concerning detente with the Soviet Union, and in particular Mr. Reagan said last week the only thing detente has accomplished is our ability to sell Pepsi Cola in Siberia.

Just how do comments like this affect the conduct of American foreign policy?

THE PRESIDENT: First, let me say I am very proud of the accomplishments of our American foreign policy. We are at peace. We are at peace because we are strong.

I have submitted strong, affirmative Defense Department budgets to the Congress so we will stay strong.

MORE

With that kind of military capability, we have been able to implement a policy of peace with strength in foreign policy. Since I became President 18 months ago, we have strengthened our alliance in Western Europe. It has never been better.

Our relations with Japan, a very important ally in the Pacific, are excellent. We have been able to reaffirm our relations with our many other friends around the rest of the globe.

We have made tremendous success in diffusing the volatile situation in the Middle East. We were able, because we were strong, to have the confidence of both Israel on the one hand and Egypt on the other. That is a tremendous stride forward under this Administration in foreign policy, and we will make other successful efforts in that area.

We have maintained a growing relationship with the People's Republic of China. At the same time, we have been able to negotiate with strength with the Soviet Union. We are negotiating right now to put a cap on the nuclear arms race.

If an agreement is reached, it will be an agreement beneficial to us, equally beneficial to the Soviet Union will be an agreement that will keep our powder dry and not put our finger on the nuclear trigger, and it will relax tensions between the two superpowers.

That is the kind of a foreign policy that is in the best interest of the United States. I won't comment on any rhetoric concerning the policy that has been successful. I am proud of it. I think most Americans are proud of it, and they should know that it will continue, a policy of peace with strength under the next four years with the Ford Administration.

MORE

QUESTION: Mr. President, do you feel like the comment, however, by Mr. Reagan in particular violates the so-called 11th Commandment that he has pledged to abide, that he will not speak evil of you during the campaign?

THE PRESIDENT: Well, things get disappointing and I think people forget what they might have said at one time and so it does not bother me. I just want the public to know we have a good foreign policy. We are going to keep it good and we are not going to worry about some campaign rhetoric.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, do you agree with Secretary Kissinger's comment that the House Intelligence Committee report represents to many a new brand of McCarthyism?

THE PRESIDENT: I think that is a fairly accurate description. I think that that committee report, which the House of Representatives said should not be published by better than a two to one vote, having been leaked, is an unfair, unjust way to criticize an individual or a policy. And I think it certainly falls within the parameters of McCarthyism.

Let me just add this: Under this Administration we are going to have a strong intelligence community and we are not going to permit the Congress to dismantle America's intelligence community.

You were going to ask another question?

QUESTION: I was going to ask you if you agree with the proposal for one intelligence oversight committee for Congress?

THE PRESIDENT: I am going to make some recommendations to the Congress very shortly involving the entire intelligence community, but I should say that over the years I have been very sympathetic to a joint House-Senate intelligence committee. I am not saying we are going to recommend that because that is a prerogative of the Congress, not a prerogative of the Executive Branch, but I think there is much merit to that proposal.

QUESTION: Mr. President, were you made aware of former President Nixon's visit to China before, and, if so, how. And, also, does that visit have any effect on U.S. foreign policy with China and the Soviets?

THE PRESIDENT: The day that President Nixon called me and told me that he had been invited as a private citizen to the People's Republic of China, I had heard some advance notice that day, but I got the specifics on the phone call that he made to me in mid-afternoon that particular day.

MORE

He is going as a private citizen at the invitation of the People's Republic. I have said before and I will repeat here, I have no particular reaction, pro or con, concerning that private visit.

QUESTION: If we could talk about detente again. Do the statements made by your opponent and some of the Democrats, and, in particular, Henry Jackson, do they adversely affect U.S. foreign policy?

THE PRESIDENT: I think knitpicking of an American foreign policy, does not help, although I think our allies understand what is going on. They have lived through American political campaigns before. All we can do is to talk affirmatively and deal straightforwardly with our allies as well as our potential adversaries. I think it would be better if it was not made a campaign issue, as some are making it, but we have a free country and if they want to make it a partisan political issue or a political issue, they can do so. But I want the American people to know that we have a good foreign policy. We are going to keep it up by peace through strength.

Thank you all very much.

END (AT 4:37 P.M. EST)