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THE WHITE HOUSE

REMARKS OF THE PRESIDENT AND QUESTION AND ANSWER QESTION

JOHN A. LOGAN COMMUNITY COLLEGE

6:05 P.M. CST

THE PRESIDENT: Thank you very, very much, Dr. Tarvin, President Able, President Klaus, Senator Percy, Congressman Findley, Congressman Simon, student faculty and guests of the three great educational institutions:

It is a very great privilege and a very high honor for me to be here in Williamson County with all of you this afternoon. It is very, very good to be in the heartland of America where the people are great and I thank you very much for the very warm welcome.

The purpose of my visit can be summed up in just a very few words. As much as I believe in a strong and prosperous American automobile industry, I am here to say that this year there is absolutely no reason whatsoever to trade in your Ford for a new model. (Laughter) Especially one that has not even been road-tested. (Laughter)

I look forward to answering your questions, but first let me make a very few brief remarks. I am delighted to see the growth and the progress you have made here in this part of Illinois. As you know, not so long ago the economic picture here was not all that bright and some people had lost faith in this great area of the land of Lincoln. Well, it is obvious that those doomsayers were wrong. Your future is bright.

It is as full of strength and hope as you are. The signs of economic growth are here in Marion, for instance, where you have a growing population, a growing tourist industry, a new bank, a new supermarket and I am told even a new movie theater.

I am as confident, if not more so, that your growth will continue, your confidence, your drive, your initiative, your faith and progress will make it happen.

In this great Nation as a whole we can also see a far, far brighter future ahead because we have steered a very steady, a very firm and a very good course.

There were those who had lost faith in our country. They were doomsayers, cynics, skeptics. They did not believe in America, they had lost faith in this great country, in its economic system. But, they were dead wrong. There were those who said gas would be a dollar a gallon by now. They were wrong. There were those who said the only way to meet unemployment was to have Government supplied jobs one on top of another and they were wrong.

It was not a time for panic but it was time to take strong, affirmative action. This Administration was confident that we could defeat the recession without surrendering to inflation and we are doing it.

All the jobs lost to the recession have now been recovered. We got a report just yesterday from the Bureau of Labor statistics that we had 86 million 300 thousand gainfully employed. It matched the all-time number of people employed in this great country.

Inflation has been cut in half. The wholesale price index fell a half of one percent in February. That is the biggest monthly decline in nearly a year. It is just another indication that we are bringing under control the frightening inflation of 12-1/2 to 13 percent about 17 or 18 months ago. Consumer confidence and a host of other economic indicators are up and we are going to keep them up.

We are going to make sure, we are going to be positive that there are enough real jobs created by the economy, not by Government, so that all of you, some 2 million of you, who come from our schools can use the skills you have learned in these three colleges and live a rich, rewarding life in this great country where we all are so proud.

You and I and every other thinking American can or wants long-term, sustainable growth that won't be undermined by inflation. To keep the cost of living down, I intend to keep the cost of Government down. We darn well better do it.

We have already made some very real progress. My budget cuts in half the rate of growth in Federal spending we have seen over the last decade, and my 46 vetoes of legislation sent to me by the Congress in the last 19 months -- 39 of them have been sustained, and as a result of those vetoes -- and the Congress has supported the sustaining of those vetoes -- we have saved the taxpayer \$13 billion, and we will veto more of them.

By continuing the common sense approach that I have been taking, we can have a balanced budget by 1979, and that means a further major tax cut will be possible, putting more money back into the American taxpayers pocket; that is, into your pocket.

You have as many good uses for that money as the Government does, perhaps more. Another way we can hold down the cost of Government is by using Federal dollars in the most effective way possible, not by junking good programs along with bad ones, not by dumping them into the laps of State and local units of Government, not by sensibly improving the ones that do work and getting rid of those programs that don't work.

Revenue sharing is an excellent example of a Federal program that has worked. It combines the efficiency of the Federal revenue raising system with the effectiveness of local decision-making. Under the current five-year program, which ends December 31 of 1976, State and local units of Government in Illinois will have received \$1.5 billion in general revenue sharing funds from the Federal Government. That is not just an abstract figure. Those dollars have helped educate your children.

In Marion they have helped build sewers and water lines; in Williamson County they have played a very crucial role in keeping you and yor family safe from crime. That is the kind of responsive Federal program we need more of, not less.

So, I intend, hopefully with the help of Congress, to put a little pressure on Paul Findley and Paul Simon over here -- tell them to get that legislation out of the Committee on Government Operations and on the floor of the House and passed.

It has been there far too long. It ought to be passed by the Congress, not resting in no action in the Committee on Government Operations.

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I think Congress will finally pass it, but you have to really get the law enacted for the next five and three-quarters years so we can continue the general revenue sharing program. It will substantially increase the amount of money flowing back to your State and local units of Government.

Revenue sharing has proved its value in any realistic appraisal of the Federal Government's role -- and realism is what I believe in, not rhetoric. Part of what I think is a very realistic program, we have to take a hard look at our country's long-term problems. Energy is high on that list. The long lines at the gasoline stations may have faded from the memories of many Americans, but I have not forgotten them and I hope you will not. They taught us a lesson to remember that we are far, far too dependent on other countries for our energy needs, and since those gasoline lines of some 24 months ago the production of American oil and gas has gone down and we have become day by day more dependent on foreign oil sources, and that is not good for America.

Let me say, to deal with this urgent problem I have submitted a score of major legislative proposals aimed at helping the United States to achieve energy independence. Unfortunately, we have only had four out of those 13 major proposals passed by the Congress. These other proposals are absolutely essential if America by 1985 is going to be independent of the impact of foreign oil energy sources.

Our rich supplies of coal which many of you in this area helped bring to the marketplace play a very important role in making us energy independent. Under the national energy policy that I have recommended this means a vital and essential, important role for the great State of Illinois which has bigger bituminous coal reserves than any other State in the Union.

You are so lucky, you are so fortunate, and so are we. Coal is our Nation's most abundant energy resource. Production now -- it is hard to believe, but it is true -- is about the same as it was a half century ago, roughly 600 million tons a year.

I have urged a comprehensive coal policy to assure that our coal production will top one million tons in 1985. My policy includes measures aimed at improving coal production, transportation, and its use.

In the 1977 budget that I submitted to the Congress in January, I included a 28 percent increase in the funding for coal research and development so we can make the best possible use of our vast energy resource and you have thousands and thousands and thousands of tons of that right here in this area.

We also have to make sure that we can get our energy to where it is needed. This demands a strong and efficient railroad system to make sure energy is available to fuel America's industry. The Rail Revitalization Act of 1976, which Congress passed and I signed into law about a month ago, will help insure the strong transportation industry that we need to achieve our goal of energy independence.

The Act authorizes over \$6 billion in appropriations and loan guarantees. Over \$2 billion of that money will go to support a new rail system, Conrail, and enable it to upgrade its tracks and the quality of its service.

This includes line stretching across Illinois eastward from St. Louis and also south into this region, right through Williamson County, improving transportation of coal. That is just one way the Federal Government can play a positive, constructive part in an area like this rich and productive future.

I intend to continue making Government more responsive to your needs and the needs of all Americans, not by tilting the Federal Government on its ear, but by giving it a new balance, a balanced fiscal policy a new balance of power between the Federal, State and local authorities, a new balance between those who pay taxes and those who benefit from them.

The word balance may not sound very dramatic, but I don't believe Government should be theatrical, just effective.

Now I will be glad to answer your questions.

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QUESTION: Mr. President, if Mr. Carter is elected President, would it economically be feasible for him to consolidate all Government agencies into just a few?

THE PRESIDENT: Let me see if I understand the question. If Mr. Carter is elected President, would it be feasible for him to consolidate all Federal Government agencies into just a few. Is that your question?

QUESTION: That is right.

THE PRESIDENT: I don't think it is practical. I happen to believe that the basic structure of the Federal Government is good. I think there must be some realignment, but I don't think we have to tear it asunder and throw a lot of different departments into one or more that don't have any relationship to one another.

It may be desirable -- let me put it this way -- it may be desirable to establish what was done in 1947 or 1948 with what they call the Hoover Commission. The Hoover Commission was a group of outside, primarily, experts with a few Members of the Congress, and they studied about two years the overall organizational set up of the Federal Government.

They made some recommendations. Congress approved roughly 75 percent of them. It may be desirable to take a look, but just to say you can have a quick fix, as some people have suggested, I don't think is very practical.

QUESTION: Mr. President, according to the national student lobby and the Association of Illinois Student Governments, the basic educational opportunity grant has devestated billions of dollars. This has hurt students throughout the State in Illinois because with the Illinois State Scholarship Commission, students are now being billed to pay back 14 percent of these funds.

We would like to know if a bill passed -- a supplemental bill for the basic educational opportunity grant through Congress or Senate -- if you did sign it or not sign it. We would like to know if you would veto it.

Also, we would like to know what the chances are or what you would propose to change the bill from being for where students would have to pay the money back?

THE PRESIDENT: As I recollect, in the budget for fiscal 1977 I recommended about \$1 billion in basic educational opportunity grant funding, which is a substantial increase over the present. Now, we have a wide variety of programs.

In addition to the basic opportunity grant program, we have the loan guarantee, we have the work incentive program. There are three or four others. I can't remember their names, but it seems to me that if the Government loans something to somebody, whether it is for business or an education or anything else, and the person signs to borrow that money on those terms, there is an obligation to repay it.

Now, the terms of repayment, as I think you know, are very generous.

QUESTION: I was understanding that, but mine was according to the grants that students receive. They receive so much money and this is not a pay-back situation. The question is students who are not financially able to go to college can receive basic educational opportunity grants.

These are not paid back monies. The colleges receive the money, and they are disbursed to the students. These students, will they have to pay back this money in a percentage? Like the Illinois State Scholarship, they must pay back 14 percent because they overimbursed people.

THE PRESIDENT: As I understand the grant program, it is literally a grant. Now what the schools or the States do -- I think they match 10 percent, do they not -- 20 -- it is 20 percent. I don't know what requirements the States have or the schools have for the repayment or the granting of the 20 percent.

But, if it is a Federal grant, it is a grant, but on the other hand we have loan programs and where there is an obligation to repay, under the generous terms, low interest and deferred payment, I think a student or anybody else, when you sign a contract, you ought to uphold it.

But, the grants, I think, are to be considered as such. I submitted about \$1 billion in basic opportunity grants for the next fiscal year, which is a substantial increase over the present fiscal year funding.

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QUESTION: Mr. President, I was wondering what the recent wheat failure, what kind of effect it would have on our foreign trade with Russia?

THE PRESIDENT: The question is, as I understand it, what the projected wheat failure in Oklahoma, Western Kansas and that area would have on our trading with the Soviet Union.

As I understand it, from the Secretary of Agriculture, there is a potential 25 percent loss in that area of our wheat production, primarily a winter wheat area. I also am told that that potential 25 percent loss in that area, serious as it is to those farmers, is not a significant loss in our overall winter wheat production.

Number two, we had a record crop of two billion bushels in 1975, an all-time record for the United States. So, we have ample supplies from the carryover and the unfortunate drought in that area, lack of rain, lack of snow cover, even if it stays where it is will not have a severely adverse impact on our wheat supplies in 1976, and therefore would have, I think, no significant impact on our grain sales to the Soviet Union.

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QUESTION: Mr. President, with your recent victories in New England and a possible win in Florida, would you consider that a big win here in Illinois would be a knock-out blow to Ronald Reagan's campaign? (Laughter)

THE PRE DENT: Well, we won in New Hampshire, we won in Vermont, we won in Massachusetts. It is a close race but I think we are going to win in Florida and I have been impressed with the warm welcome here in the great State of Illinois, and after you win five in a row, I would be very encouraged.

But I think you would have to ask my opponent what he will do. That is his decision, certainly not mine.

QUESTION: I just would like to start by saying I am honored to have an audience and that I do love you, President Ford, and I love America. I was concerned -- I read recently in the news that Secretary of State Henry Kissinger had accused Otis Pike of a brand of McCarthyism and this kind of dissent going on between the Executive Branch and the Congress is something very serious, especially when it concerns our intelligence community. I would like to know how you feel about Henry Kissinger's accusation if you feel that was just, and I also have another related question.

I was recently speaking to a United States Attorney and I am very concerned about what is happening in the United States and in the world. He stated that the President is not really running this country and neither is the Congress, but the bureaucrats are, and certainly I have been watching your Administration very closely in trying to grasp what is happening and it seems to me that the balance of power is tipping in favor of the bureaucracy and I, as a citizen, feel that there is need in our Government to balance this type of change.

THE PRESIDENT: Let me answer the first question in this way: The Pike Committee of the House of Representatives was given the job to investigate allegations concerning the Central Intelligence Agency and other intelligence gathering agencies to determine whether those agencies or individuals in those agencies had violated the law or the rights of American citizens.

That committee came to the Executive Branch of the Government and asked for literally thousands and thousands of files and information. Probably 99 percent of it was either top secret, secret or confidential.

I issued an order that I would give to that committee or ordered people under my jurisdiction to give to that committee all of the material they wanted -- all of it -- with the understanding that if they were to write a report and include any of the secret or top secret information in it, before they would print the report publicly, and if people in the Executive Branch said it would be injurious or harmful to the United States of America, they would give me the opportunity of reviewing that report.

The committee did not follow through with that procedure. Somebody either on the committee staff or a Member of the committee -- and I don't know which -- released that report to the public without giving me the opportunity of reviewing whether vital secrets of this country were to be made available to the enemy.

Now, I think whoever released that report -- whether it was a Member of the committee or a member of the staff -- did a great disservice to this country, and there was material in that report that was never approved, as I recollect, by all of the Members of that committee.

To release that report with those secrets and those comments concerning the Secretary of State and others, I think was a disservice to this country, and the Secretary of State used the language that he did because he was distraught by the revelation of the classified material and the implications that were alleged against him.

I think it was a very unfortunate action by somebody on the committee or the staff of that committee and I condemn it. I think it was a disservice to this country.

Now, the second question. I don't think the bureaucrats run this Government. The policies of this Administration, and I think the policies of previous Administrations, are made by the President, the Cabinet members and the other top officials.

I must confess sometimes the orders that are issued in the White House or in the Department of Agriculture at the top are not always carried out precisely as they are directed but, basically, this country is run by those either who have been elected or those who have been appointed, and I don't think we should lose faith in this Government. Some bureaucrats probably don't do it the way we would like it but the system is good. All we have to do is correct it and we are working at it.

QUESTION: Mr. President, what are your feelings about Mr. Nixon's recent trip to Red China, and do you feel that hurt your campaign?

THE PRESIDENT: The question, as I understand it, was: How do I feel about Mr. Nixon's trip to China and has it had an adverse impact on my campaign?

I have said -- and I think I should repeat -- that Mr. Nixon was invited by the People's Republic of China. He went there as a private citizen. He did not go there to carry out any foreign policy directives that I would issue as President of the United States. He went as a private citizen, as their guest.

I do feel that the timing of the trip probably had some adverse impact in the New Hampshire primary, not enough, fortunately, but at least it may have had some. But overall we have not been able to come to any concrete conclusion as to whether it was good or bad. I am glad he is back safely and we are just going on with our program in the Government and in the campaign because we have a lot of things to do.

QUESTION: Mr. President, as long as we are talking about former President Nixon, do you think it is right that the United States Government spent \$250,000 while he was over there?

THE PRESIDENT: Let me repeat the question so everybody knows it. The question is, was it right for the Federal Government to pay \$250,000 for Mr. Nixon to go to the People's Republic of China? Is that the question?

The Federal Government did not pay one penny for his transportation, for his lodging, for his food, the cost of whatever it was -- and I don't know whether it was \$250,000 or not -- but by law, by law, it is mandatory that all former Presidents and all widows of former Presidents are given Secret Service protection. That is what the law says. So whatever the cost was it was required by law. I don't think it was that much, but whatever the cost was it was a matter of law, and I happen to think we ought to obey the law.

QUESTION: Mr. President, my question is on the new liberalization of the Black Lung Act or law. Being a coal: miner I am concerned about this and about your stance, and also Senator Percy and maybe some of the other men up there, what their opinion is on the new liberalization of the Black Lung Act?

THE PRESIDENT: As I understand the legislation that passed the House a week or so ago by a vote of some 240 to 183 against it, what it would do is say that if a person worked in a coal mine for 30 years he is guaranteed a black lung pension or retirement, whatever it is. Whether he ended up with black lung or not, the presumption is he does have it and he would be paid. Now, that is as I understand the legislation passed by the House of Representatives.

When I was in the Congress about five, six years ago when the first black lung legislation was enacted, I voted for it. It provided that if it was determined that a miner who was working or a miner who was retired had black lung, if it was determined by a medical examination, then that individual would qualify for black lung benefits, and it costs about a billion dollars a year at the present time to take care of that problem.

But this is a significant change because it does not require a medical examination. It simply says if you worked that long it is automatic.

Now I have not made up my mind because it has only passed one-half of the Congress, but those are the facts as I understand it. If and when the legislation gets down to the White House I will take a good look at it, but it is a very significant change in existing law, and the Senate, I am sure, will give it careful consideration before it gets to the White House.

QUESTION: May I make one comment, please, on that? How will this be funded, the new Act? Will it be a direct tax on coal or will it be a tax on the people? I think this is very important. I think most people want to know this.

Also, I don't know if you ever worked or have seen the inside of a coal mine where a man has to work in an area where at times he is very fortunate to see from me to you very clearly and the dust is so thick. Of course, it is better now than it has been in the past five years due to the new Acts that Congress has passed. But if you would see and realize what 30 years of underground experience would do to a man's health -- I have a father and many of you men here have fathers and relatives -- you see what it does to them, and I think this is very important. I think you need to really understand what this does to people.

THE PRESIDENT: I fully support the present legislation which says if a person has, by medical examination, acquired black lung he ought to be paid.

Now, in the House legislation it is my understanding that the payments under the new law, if it becomes law, would come out of the Treasury, not out of industry. I could be wrong, but that is my best recollection.

I think it is a question the Senate ought to look into as to whether the industry ought to bear the burden or whether the general taxpayers should. I expect that the United States Senate will ask the experts in these areas for some opinions in that regard.

QUESTION: Will you veto it?

THE PRESIDENT: It is only half-way through the Congress. I don't indicate publicly until I see the black and white, until I see the language in the law or proposed law, as to whether I am going to veto it or not.

We will do one here, and then I have a young man over here I want to get a question from.

QUESTION: Mr. President, although the environment is not a major campaign issue this year it remains an important issue in the minds of many Americans. As President for four additional years, what initiatives will you take to insure that environmental quality is improved especially in consideration of a report linking 80 to 90 percent of cancer to pollution of our air and water?

THE PRESIDENT: I think that the environment ought to be discussed in this campaign. I think it is a matter that should not be cast aside. It is a vitally important problem in this country. We kind of woke up to the dangers of the environment, the damage that has been done to our air and water about six years ago, and Congress passed some legislation to try and clean up the air and the water. Some substantial progress has been made.

The Federal Government has spent about \$18 billion to help local cities and communities clean up their water and sewage problems. The Environmental Protection Agency has issued very strict regulations about industry and its efforts to clean up its discharge and to clean up what they do as far as the air is concerned.

Now, I think we have shifted a little bit from an all-out effort to clean up the air and water in five years, after we destroyed it for about 100, so that we are going to probably stretch out some of these programs because you just can't overcome 100 years of neglect in a period of five years.

But I can assure you from this Administration's point of view we are going to continue to have a sound, constructive, broad gauge environmental program and I can assure you there will be maybe some stretching out for a minimum period of time, but we are not going to neglect the environment, period.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, when you were little, did you ever think some day you would be President of the United States? (Laughter)

THE PRESIDENT: Believe me, we did not get together ahead of time, did we.

Let me say I suspect, like all young Americans living in a great country like we live in, I might have had a wild dream one time that it would be great to be President. That is one of the blessings we have in America. There might be somebody in this audience, somebody in this audience, it might even be you, who some day could, under our system, be President of the United States.

QUESTION: Thank you, Mr. President.

END (AT 6:50 P.M. CST)