

PRESIDENT VOWS HE WILL REDUCE BUSINESS CURBS

JUN 18 1975

Tells Small-Business Men of
Aim to Cut Paper Work
and Federal Red Tape

JUN 18 1975

GROUP HAILS REMARKS

Speech Also Seen as Effort
to Win Political Backing
of a Conservative Bloc

NYTimes

By JAMES M. NAUGHTON

Special to The New York Times 17

WASHINGTON, June 1—

President Ford pledged today that he would curb Federal regulation of business and oppose those who would, in his view, turn government into "an instrument of philanthropic collectivism."

In a broad policy address to the National Federation of Independent Business, a conservative organization of small-business men, the President declared that well-intended regulation to protect consumers and the environment "often does more harm than good."

He vowed to free small business from "the shackles of Federal red tape," to cut the "needless paper work" imposed by government and to prevent Washington from becoming "the big daddy of all citizens." About 1,500 in the audience interrupted more than once each minute to applaud the President.

Free Business From 'Bondage'

"We must free the business community from regulatory bondage so it can produce," Mr. Ford said. "I say to the businesses represented here today, I hear your cries of anguish and desperation. I will not let you suffocate."

The President's remarks reflected his Administration's decision to seek reduction of Federal controls over a variety of American industries. They were echoed, in other speeches here today, by members of Mr. Ford's Cabinet.

To some extent, however, the tone of Mr. Ford's speech—before an organization that heard later from former Gov. Ronald Reagan of California, a conceivable Ford opponent in 1976 Republican Presidential primaries—represented a White House attempt to secure the political loyalty of the conservative small-business men.

The President's commitment to reduce Federal intervention in national commerce was underlined earlier when he told Republican Congressional leaders that he would oppose creation of a new consumer protection agency and would probably veto emergency housing legislation passed by Congress.

Link to Constitution Seen

Mr. Ford told the businessmen's federation that, as the son of the founder of the Ford Paint and Varnish Company of Grand Rapids, Mich., he understood the "direct connection between the spirit of the American Constitution and a competitive, privately oriented economy."

Without identifying his targets—presumably liberal Democrats—the President warned of those who favored "runaway spending that confines government to no boundary, that undermines individual initiative, that penalizes hard work and excellence, that destroys the balance between the private and public sector of American life."

"We have held no referendum to repeal our economic freedom," he said, and he spoke of a conviction that "Americans have not arrived at a popular consensus for collectivism."

Mr. Ford has already proposed legislation to promote more competition by removing

Continued on Page 32, Column 1

PRESIDENT VOWS TO REDUCE CURBS

Continued From Page 1, Col. 8

Federal regulations in transportation industries and will meet next week and with commission of independent regulatory agencies later to discuss other steps to curtail Federal regulation of business.

Some government regulations "are costly, but essential to public health and public safety," he said. But Mr. Ford added that the Federal regulatory structure was "encrusted" with outdated rules.

Question of Costs Raised

"The issue is not whether we want to control pollution," he said. "We all do. The question is whether added costs to the public make sense when measured against actual benefits."

He appointed Bruce Fielding, the secretary of the businessmen's federation, and seven others as members of the new commission on Federal paperwork, which is to study the problem.

The commission was established by Congress in a bill signed by Mr. Ford last Dec. 27. Congressional sources said that one reason for the long delay in naming White House appointees to the panel was a threat from the federation that Mr. Ford addressed today to boycott the study if Mr. Fielding was not appointed.

Ron Nessen, the White House press secretary, said he had no idea why it had taken Mr. Ford six months to name the commission members.

2 Officials Echo Remarks

Two Cabinet members also alluded to the need for curbs on Federal regulations in speeches today to the National Goal Association. They were William E. Simon, the Secretary of the Treasury, and William F. Coleman Jr., the Secretary of Transportation.

The President once again declared his optimism that "the worst recession since the nineteen-thirties is coming to an end."

Republican Congressional leaders said, after meeting with Mr. Ford this morning, that he would most likely veto the emergency housing bill on the ground that it would not meet its objective of stimulating employment in the construction industry soon enough, and might therefore have an inflationary impact on the economy.

Senator Hugh Scott of Pennsylvania, the Senate Republican leader, also told reporters that Mr. Ford's proposals to combat crime, to be made public later this week, would not call for regulation of handguns.

Mr. Scott said that the crime proposals would involve "some very tough recommendations" or mandatory imprisonment of criminals.