

Oil bill failure a victory for Nixon

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WASHINGTON —President Nixon and the oil industry appeared yesterday to have won an enormous political victory over Congress in dealing with energy problems over the Christmas holidays.

Whether Americans will be cold or limited much in miles they travel was more uncertain.

Congress adjourned at 2:02 p.m. yesterday until noon Jan. 21, 1974, without passing any emergency measures to deal with the energy crisis.

Senators threatened a filibuster unless Congress delet-

ed a windfall profits tax opposed by oil companies and the White House. And congressmen were so anxious to get home for the holidays that they adjourned and left town with the emergency bill unpassed.

Within an hour after Congress adjourned, Nixon issued a conciliatory statement, praising the peoples' conservation efforts and promising cooperation with Congress in the next session. "We can get on with the job even without having the legislation in place at this time," he said.

At adjournment, Congress was bitter and divided.

Senate leaders made the traditional call to Nixon informing him that it was about to adjourn, but House Majority Leader Thomas P. O'Neill, (D-Mass.) refused.

Republican Leader John J. Rhodes said when he asked O'Neill, when the call was to be made, O'Neill replied: "It's not going to be."

O'Neill blamed the White House for the deadlock over the bill.

"There's no question that the administration really did us in after we did everything we could to get a bill," O'Neill said.

White House officials were quoted as saying they preferred no bill at all to one that cracked down on excess oil profits.

Sen. Henry Jackson, (D-Wash.) the major sponsor of

the emergency energy bill, predicted Congress would return to Washington in a "punitive" mood to punish industry for oil and gas prices he said would now head "right through the ceiling."

"We'll come back in a punitive mood. By that, I mean ugly," said Jackson, generally one of the most moderate men in Congress.

He said he knew the White House and major oil companies had stalled legislation.

"I was not born yesterday," he said.

Sen. Russell Long (D-La.), who maneuvered the stale-

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mate more than any other single man, said industry never would be unfairly penalized "with my vote."

Rep. Robert F. Drinan (D-Mass.) said last night: "If we have to pinpoint the fault, we have to look at the Senate. They really sold out to the oil lobby." Drinan and others said the White House allied with oil companies' representatives to prompt a Senate filibuster Friday night.

As a result, the Senate, by 52 to 8, passed a compromise measure dropping any restrictions on energy crisis profits.

The compromise was defeated by the House 219 to 34 in a stormy session lasting until early yesterday.

Treasury Secretary George Shultz promised House leaders yesterday the administration would act independently to curb unreasonable profits by the oil industry.

His proposal doesn't tax profits at all.

Rather it is an excise levy on crude oil — one Rep. Charles Vanik (D-Ohio), charged would be loaded onto consumers by companies who still could reap windfalls unhindered by government.

Shultz passed these details to Congress before adjournment:

The "tax" would charge oil companies a maximum fee of 85 percent of all price increases above the price of crude oil as of last June.

Exactly what steps the President can take until Congress resolves its controversy remains unclear.

Some legislators, including Jackson, maintain that Nixon already has authority to order gasoline rationing under the National Defense Production Act.

Nixon already has authority under the Emergency Petroleum Allocation Act to distribute scarce fuels so that no section of the country or the economy is unfairly hit.

And the Economic Stabilization Act gives him the means of controlling prices in a manner that would encourage the production of some fuels, such as home heating oil, at the expense of others, such as gasoline.

The principal question remains as to exactly what powers the administration would have to police such voluntary conservation measures as the 10-gallon per sale gasoline limit ordered by federal energy chief William E. Simon. When he announced that plan on Thursday, Simon said he would make it mandatory as soon as Congress passed an energy bill.

• And grant limited antitrust exemptions to the petroleum industry.