

Nixon Press Conference

He Blasts Congress' Record

Washington

President Nixon, declaring that he would veto the minimum wage bill passed by Congress, challenged the Senate and House yesterday to improve upon a "disappointing" record by enacting his "bipartisan" legislative proposals.

The President announced at his second news conference in two weeks that he would take the unusual step of sending to Congress a supplementary "state of the union" message on Monday calling for urgent action in a number of areas.

He said that the nation would face increased economic distress, would enter nuclear arms negotiations in a "second-class position" and would encounter a severe energy crisis unless Congress moves quickly to implement White House initiatives.

BLAME

Furthermore, throughout a televised conference lasting about half hour, the President blamed the Democratic-controlled Congress for existing or potential national difficulties.

While pledging generally to work with the leaders of Congress on matters he regarded as of "vital importance to all of the American people," Mr. Nixon said that he had decided with "very great regret" to reject the congressional plan to raise minimum wage levels.

He said that the bill increasing the \$1.60 basic hourly rate to \$2 this year and \$2.20 next July 1 would dry up money that might otherwise be used to hire the unskilled or teen-age jobless and would give boost to inflation.

Mr. Nixon's statement set the stage for a new confrontation with the Congress and

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provoked an almost immediate outcry from the leaders of organized labor.

QUESTIONS

As the President fielded a number of questions dealing with issues other than Watergate — smiling broadly, his demeanor calm and his answers generally more confident than at a session with reporters on August 22 that was dominated by the scandal — he acknowledged that his administration had suffered a loss of public faith.

But he said that this was not altogether unexpected after four months of criticism "by innuendo, by leak, by, frankly, leers and sneers of commentators," and that he is determined to restore confidence in his leadership by demonstrating confidence in himself and through actions rather than words.

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Following a precedent set by the then-beleaguered President Truman in 1948, Mr. Nixon said he would call upon Congress in a new state of the union message to take action before it became "too late to act for the interests of the people."

INFLATION

He said that the fight against inflation required restraint in federal spending, but that there are spending proposals pending in Congress which would, if enacted, "bust the budget to the tune of at least \$6 billion."

Mr. Nixon said that some in Congress and among his own economic advisers — the latter, he noted, "have not been very good" in projecting what would hap-

pen to the economy this year — have called for tax reforms as a method of dealing with inflation.

But, the President said, "There isn't a chance that a responsible tax bill would be passed by this Congress in time to deal with that problem" and that one laudable "gimmick" of giving the White House power to move the investment tax credit rate up or down would never be approved by Congress.

DEFENSE

He contended that those in Congress who would balance the budget by shifting funds from defense to domestic programs made the "fatal mistake" of risking a strong U.S. bargaining position in the forthcoming strategic arms negotiations and balanced force reduction discussions with the Soviet Union.

"We can have the finest

domestic programs in the world," Mr. Nixon declared, "but it isn't going to make any difference if we don't have our freedom and if we're not around to enjoy them."

The President charged that Congress has thus far neglected seven "major proposals" designed to deal with the energy shortage.

The nation was "lucky" to escape widespread problems this summer, he said, but if the legislators did not act on the Alaska oil pipeline authorization, on proposals to de-regulate the production of natural gas and on other energy measures, the nation would face an ultimate energy crisis and be "at the mercy" of Middle East oil-producing nations threatening to use their natural resources as a diplomatic bargaining chip.

New York Times