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DECEMBER 4, 1974

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

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THE WHITE HOUSE  
PRESS CONFERENCE  
OF  
ARTHUR A. HARTMAN  
ASSISTANT SECRETARY OF STATE  
FOR EUROPEAN AFFAIRS

THE BRIEFING ROOM

5:12 P.M. EST

MR. NESSEN: I think first we should welcome the journalists who are here from Canada, and we welcome you to our briefing and to the White House.

Because of the interest I detected at my briefing this morning in something more authoritative than I could give you on U.S.-Canadian relations and on the talks today, we have asked Arthur Hartman, who is the Assistant Secretary of State for European Affairs, to come and do the briefing this afternoon on the meeting between President Ford and Prime Minister Trudeau. This briefing will be available for filming and recording.

And to tell you about the meeting and answer your questions is Secretary Hartman.

MR. HARTMAN: Let me just read a short introduction, which covers the general aspects of the meeting. There will be no communique or joint statement. This is just a summary that we have prepared.

President Ford and Prime Minister Trudeau met together in the Oval Office this afternoon. The meeting began at 3 and lasted until 5 p.m. Today's meeting provided the President and the Prime Minister a welcome opportunity to discuss bilateral relations and international issues of mutual interest.

The conversation was marked by a spirit of friendship and candor, and the President said that he looked forward to staying in personal touch with the Prime Minister.

The President and the Prime Minister discussed a wide variety of international issues. The President reaffirmed his commitment to working with Canada and the nations of Western Europe and Japan to meet the economic, energy and security challenges confronting the West and the world communities generally.

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The President also reviewed the results of his Asian trip, and the two leaders exchanged views on the Atlantic alliance, issues of interest to the U.S., Canada and Europe, East-West relations and other international questions, including the Middle East.

Canada, as you know, participates in the peace-keeping arrangements in the Middle East and in Cyprus. During the meeting, there was a broad-ranging and useful exchange of views on U.S.-Canadian relations.

While the meeting was not an occasion for detailed negotiations, the two discussed a variety of bilateral issues. In this context, they agreed on the importance of close and continuing consultations.

All in all, it was a very positive and cordial meeting, and as you know, the President will host a black tie dinner and during our discussions, as was already made clear, the discussions and the talks between the President and the Prime Minister are going to continue during dinner.

So, with that introduction I will take your questions.

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Q What did they talk about regarding oil?

MR. HARTMAN: First of all, the international oil situation was raised and discussed, the work of the International Energy Agency and the prospects for the development of common consumer policies and the preparation for a possible eventual meeting with the producers. In addition, bilateral energy and oil matters were discussed.

The questions of recent Canadian decisions were raised on our side, and the Canadian Prime Minister gave an explanation for those policies, which the President listened to attentively and made some comments on.

The Prime Minister, I understand, will be meeting with certain Members of Congress, and he said he thought perhaps he would also be asked questions by them.

Q Could you give us any details of what the comments were, the explanation and the response to the explanation?

MR. HARTMAN: Well, I am not a great expert in the oil policy field as far as the Canadian oil policy is concerned. I think the main point that we made was that there were certain refineries on our side of the border that had been established to receive Canadian oil products and that this gradual cutting back of oil supply from Canada would cause them great difficulties, and there have been representations made by Senators and Congressmen to that effect.

The answer, I think, from the Canadian side, was that they are concerned about their future situation and the possibility that their supplies will be running short, and, therefore, over a period of time, they wish to make some adjustments. And they emphasized that final decisions have not been taken and that they welcome the opportunity to exchange views on this problem before taking final decisions on their policies.

Q Mr. Hartman, the Canadians did announce a timetable last week, I think, or the week before?

MR. HARTMAN: They announced a timetable for the first steps.

Q Did they indicate any slowing up of that timetable?

MR. HARTMAN: No, they announced a timetable for the first steps, but there are still decisions to be taken on later steps, and these were discussed. But they made it quite clear this is the direction Canadian policy should go in, and in fact to some extent compared it to our own "Operation Independence."

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Q Was that a satisfactory explanation to the President?

MR. HARTMAN: Well, I don't think they went into enough detail to know whether it was satisfactory or not. I think it is a useful first exchange, and we will undoubtedly be continuing these exchanges between our experts. In fact, they both directed that that would be done.

Q Was there any suggestion of retaliation on the part of the United States?

MR. HARTMAN: No, retaliation was not mentioned.

Q Did the President give any indication to the Prime Minister that would compare with the Press Secretary's comments to us this morning about the U. S. being disappointed with the oil policy in Canada and the rate at which the oil exports have gone down already?

MR. HARTMAN: No, I think the conversation dealt mainly with getting an explanation for the policy direction that the Canadians are taking and explaining from our side the fears that people in some of the northern States, particularly the Middle West States, that have become dependent or have become used to this supply of oil, but I think further discussions are going to have to take place before it is possible to see what can be done, including what can be done on our side to replace those sources if they are not forthcoming from Canada.

Q Mr. Hartman, when the Canadians said that final decisions had not been taken, did they indicate that there would not necessarily be an ultimate phase out?

MR. HARTMAN: No, they indicated pretty firmly that they are moving in this direction; what I said was they have only taken firm decisions on the first part of this program. It does not mean that they are not going to take firm decisions on the next part; they just have not taken them yet.

Q Mr. Hartman, were pipelines mentioned at all?

MR. HARTMAN: Pipelines were not mentioned except in connection with the fact that certain pipeline systems exist, but it was not mentioned as a separate subject.

Q Specifically, was the Portland, Maine, and the Lake Head pipeline mentioned?

MR. HARTMAN: No, it was not.

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Q How much discussion of beef to cross the border, how much discussion was there of that?

MR. HARTMAN: It was mentioned again as a problem of concern to both sides. Both the Prime Minister and the President expressed their confidence that the meetings which began last week between the experts would, in fact, lead to a solution of this problem. Those meetings will continue in January.

Q Where were those meetings started?

MR. HARTMAN: They were started here, I believe, on Wednesday, although this was mixed up in my earlier briefing. I believe they started on Wednesday and they continued to Friday, and the next series of meetings will be in Ottawa.

Q Did the President indicate that Canada's oil policies could have any harmful consequences for Canadian-U.S. relations?

MR. HARTMAN: The President indicated concern, but the whole basis for this discussion was one of really expressing satisfaction with the current state of our relations and the fact that, even when we do have serious issues between us, we have over the years found ways to deal with those in ways that take account of the political and practical interests on both sides.

I think the discussions that we are having on the beef problem, continued discussions we will have about the energy policies on both sides of the border, are indications of the desire on the part of the political leaders on both sides to deal with these problems constructively.

Q Was the request by a group of Senators for tougher stands on energy discussed?

MR. HARTMAN: It was mentioned, yes.

Q In what context?

MR. HARTMAN: The President mentioned that he had heard from some of his former colleagues.

Q Did he indicate approval or disapproval?

MR. HARTMAN: I don't think he had studied their message carefully. I think that the fact he mentioned this as a concern to the Canadian Prime Minister meant that he shared their concern.

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Q How much time was devoted to the oil issue, could you say?

MR. HARTMAN: I don't know. It is not easy when you are sitting in a meeting to think how long. It was not a major portion of the meeting. It was discussed.

Q Did they mention the cost of oil in this connection, or did the Americans complain about the Canadian tax on exports of oil?

MR. HARTMAN: That specifically was not discussed, but there was a brief exchange about the effect of the general increase in oil costs throughout the world and the effect that has had on particularly the Western developed economies.

Q What did the Prime Minister say about the direction of Canadian policy in moving toward Europe and away from the U. S.?

MR. HARTMAN: He did not put it in that context at all. He did mention, and I think perhaps he will discuss this further tonight at dinner with the President. He was anxious to tell him about the review of Canadian policy, which has led them to talk in terms of a greater diversification of their policies and, as I mentioned in the meeting we had with the press earlier today, to develop a sense of identity and to enforce a sense of identity in Canada.

We expressed our appreciation that the Canadians would want to move in this direction and our only concern -- although this was not mentioned in the meeting itself -- is that the implementation of this policy not specifically take a form which is harmful to our interests without at least a consultation with the United States.

Both the President and the Prime Minister agreed on the importance of discussing many of these problems, decisions, on both sides in advance as a way of avoiding public disputes about our problems and indeed as a way of trying to solve decisions are made, when it becomes more difficult.

Q In that context, did the Prime Minister's visit to Brussels and the approach that was made there come up?

MR. HARTMAN: I am sorry. I guess I should have added on that other question. He had mentioned that he had some discussions in Europe. The specifics of the discussions that he had with the European communities were not mentioned.

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Q I wondered if that would fall into context if there wasn't consultation beforehand in that area.

MR. HARTMAN: No. As a matter of fact, we have had close consultations with the Canadian government prior to that trip, and in fact throughout their considerations of these new policy directions.

Q What portion of the discussion was on multi-lateral as opposed to bilateral and, second question, was defense mentioned?

MR. HARTMAN: Defense cooperation was mentioned, but discussed only very briefly.

Q Did the President express concern about the Canadian defense budget?

MR. HARTMAN: No, the importance of maintaining efforts was discussed and the fact that there might be some increased effort in certain areas and the fact that certain priorities had to be established was mentioned, particularly from the Canadian side.

Also, their work in the peace-keeping operations was mentioned favorably by the President, who expressed his great thanks and appreciation for the work that the Canadian forces have done both in the Middle East and on Cyprus.

Q Mr. Secretary, was there any discussion between the two leaders about the possibility of some kind of a continental energy policy?

MR. HARTMAN: No, not a continental energy policy, but rather that the discussions that we are already having in the international energy agency would lead to policies which would have a benefit both on the continent here through the encouragement of new sources of supply and the restraint on consumption within our domestic economies. That these matters were discussed in the International Energy Agency among a broader group of countries would obviously be of benefit in our bilateral relations as well.

Q You said the possibility of a meeting with the producer country was discussed. Was any date agreed on?

MR. HARTMAN: No, that was mentioned as one of the items on the agenda for the International Energy Agency, the preparation for such a conference, and the view was expressed from our side that to have a successful conference, it would be necessary to both establish a solid consumer cooperative program and also to prepare some positive proposals to put to the producers, and that this would be a topic that the International Energy Agency would take up early in its considerations, really this month.

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Q Mr. Hartman, could you tell us what other bilateral issues might have been touched on and, secondly, what role Secretary Kissinger might have played in this meeting, what he discussed or focused on?

MR. HARTMAN: I don't want to go into the details of who discussed what. There were a number of interventions by both Secretary Kissinger and Secretary of State MacEachen. The bilateral issues, the environmental problems, were touched upon from both sides.

Q Any specific issues on that?

MR. HARTMAN: Yes, the Great Lakes were mentioned, the Garrison diversion was mentioned, the question of the possibility of oil spills on the West Coast was mentioned again as of concern, and I think from both sides the degree of cooperation and consultation that we have had on these matters was remarked upon really as a model that we ought to apply in other fields because we have regular consultations, we have a joint body that deals with these problems, and a group that actually goes to the areas where the problem appears and tries to find solutions to those problems.

Q Was there consultation on the state of the North American economy, budgetary policy, monetary policy, on both sides of the border?

MR. HARTMAN: There was a brief exchange about the economy on both sides, yes.

Q Mr. Secretary, you keep talking about consultation. Was there any new machinery talked about?

MR. HARTMAN: No new machinery. This is a conclusion I have drawn. It was not a conclusion made specifically in the meeting. As we identify problems, it seems to me we are going to get groups together to deal with them.

The idea of a general machinery that would be in place to consult, I don't see that coming about. The example of these experts getting together talking about the agriculture problem I think is probably the way our consultative process will go and should go in dealing with specific bilateral issues.

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Q Mr. Hartman, in discussing the general tendency of Canadian foreign policy, you said there was some American concern about the implementation of it. Can you elaborate on that at all?

MR. HARTMAN: I can't in terms of the talks that have taken place because actually that discussion has not yet taken place. I think perhaps the Prime Minister is going to discuss that with the President tonight, in fact, he indicated he would.

Q Mr. Hartman, did they by any chance discuss that tape where President Nixon called Trudeau? Did that come up?

MR. HARTMAN: No, it did not.

THE PRESS: Thank you, Mr. Secretary.

END (AT 5:32 P.M. EDT)