

Carter to lift oil price controls June 1, calls for additional energy efforts

From our wire services

WASHINGTON — President Carter announced last night he will lift oil price controls starting June 1 and demand other energy-saving sacrifices "in a great national effort ... to give us energy security."

"I'll give it to you straight: Each one of us will have to use less oil and pay more for it," he said in a nationally broadcast, 24-minute energy policy address from the Oval Office.

Trying to sweeten the program for consumers faced with more inflation and higher gasoline pump prices, Carter promised to fight for congressional enactment of taxes on the "huge and undeserved windfall profits" the oil companies will reap from decontrol.

He said such a tax — always rejected by Congress in the past — would be used to help compensate lower-income Americans for the higher fuel prices and to develop "exciting new energy programs."

Emphasizing that revenues from the tax would go to poor families, mass transit projects and efforts to develop new energy sources, Carter sought to put lawmakers on the spot by declaring: "Every vote against it will be a vote for excessive oil company profits and for

reliance on the whims of the foreign oil cartel."

Carter he urged the public to clamor for a windfall profits tax, saying, "As surely as the sun will rise, the oil companies can be expected to fight to keep the profits which they have not earned."

"As surely as the sun will rise, the oil companies can be expected to fight to keep the profits which they have not earned."

Carter said he will demand that the oil industry use the extra income for energy development "and not to buy department stores and hotels as some have done in the past."

But Carter made it clear that, with or without such a tax, he will start lifting federal price controls from U.S.-produced oil as of June 1 and will complete that process by October 1981.

Administration officials estimate this move alone will add four or five cents to

the price of a gallon of gasoline, while critics like Sen. Henry Jackson, D-Wash., say it might add as much as 20 cents a gallon.

Early congressional reaction was predictably mixed along regional lines, with oil state legislators and industry spokesmen praising Carter while those from oil-importing states and consumer advocates condemned the decontrol decision.

Carter's program also included a sweeping series of other conservation programs ranging from mandatory thermostat controls in offices and stores to threats of closing gasoline stations on weekends.

In his address, the president abandoned his recent references to the energy situation as "serious but not critical" and warned Americans: "The energy crisis is real. Time is running short."

He urged people to listen carefully as he outlined the mixture of mandatory conservation steps, voluntary measures and proposed new laws included in this follow-up to his 1977 "moral equivalent of war" energy address.

Carter's program was designed to do what his earlier energy plan did not — stimulate greatly increased domestic

production of oil, gas and other energy sources — and to clamp down even harder on energy waste.

Administration officials said the new plan would reduce energy consumption by 784,000 to 1.3 million barrels a day, with about one-fourth of the savings prompted by higher prices under decontrol.

They said it should increase domestic oil production by 740,000 barrels a day by the end of 1985.

"The energy crisis is for real. Time is running short."

The president conceded decontrol "will add a small amount to our rate of inflation" in the short run, but claimed it would ease inflationary pressures down the road by reducing reliance on foreign oil at foreign prices.

Officials said the president's measures would add 0.1 percent to the rate of inflation this year and 0.2-0.3 percent to annual inflation in future years.



President Carter prepares to speak from the White House on national TV and announce his intention to lift price controls from domestic crude oil prices.

the daily Collegian

15¢

Friday, April 6, 1979
Vol. 79, No. 149 20 pages University Park, Pa. 16802
Published by Students of The Pennsylvania State University

Oswald: Budget request needed to stop tuition hike

By PAULA FROKE
Daily Collegian Staff Writer

HARRISBURG — University President John W. Oswald said yesterday the state legislature must grant the University its entire funding request if the University is to avoid a tuition increase.

Explaining his budget request to the House Appropriations Committee, Oswald said between 1972 and 1979 the inflation rate rose 53 percent and University tuition charges rose 60 percent. At the same time appropriations to state-related universities increased 35.4 percent, he said.

Because of this discrepancy, Oswald said, more of the costs for an education are being shifted to the student. This, he said, contradicts one of the University's basic missions.

"We're trying to keep with the tradition of the land grant institution by attempting to keep as low a tuition rate as possible," he said. "But we have not been successful."

"One of our biggest goals in this budget document is the avoidance, if at all possible, of further increases in tuition. Basically and fundamentally we are asking for an increase in the budget to match the inflation costs," he said.

Oswald has requested a \$130 million appropriation — about \$18 million more than last year's amount — for the University's \$220 million General Funds budget. Gov. Dick Thornburgh's proposed budget, however, grants the University only \$117 million.

"But the University does not rely just on increased state appropriations to meet its budget needs, Oswald said.

"We have three ways of dealing with our costs," he said. "One is through appropriations from the state, another is through tuition from the student and the

third is through economies which we must make and are making.

"We have been working to reallocate funds from less important areas to more important areas," he said.

During the past eight years, Oswald said, the University has shifted about 10 percent of the General Funds budget from certain areas to other areas which are more important or more badly in need of funding. This step, according to his budget presentation report, "demonstrates that Penn State has worked to gain the fullest possible measure from available resources."

But the reductions also mean some program quality is lost, he said, and cited as examples increases in class size

with accompanying decreases in the number of available sections.

Productivity is another "terribly important" concern, Oswald said. University faculty members have been forced to assume heavier workloads over recent years, he said. Since 1972, he said, enrollment has increased 11.5 percent while the number of full-time faculty decreased 3.1 percent.

In considering the question of equity of funding for the state-owned and state-related institutions, Oswald said the legislature should remember the University's wide-ranging responsibilities.

Because of its "unique responsibilities as a land grant institution," he said, the

University has established numerous programs beyond those normally connected with a university to serve the people of the state.

For example, he said, the University-sponsored Milton S. Hershey Medical Center sends many of its graduates to the state's rural areas needing better health service, and the Cooperative Extension program reaches all areas of the state.

"I doubt that there is any county which is not touched by cooperative extension," Oswald said. "Yet recently we have lost service and are looking to significant subsequent losses."

The importance of these special programs should not be forgotten when

discussing equity with other colleges, he said.

"When I speak of equity, I'm not talking about the idea that just because one group gets X percent then we should get X percent too," he said. "I'm talking of the mission Penn State has as a major institution in the state. We are expected to take on a high level of programs, and we do have costs that result from this kind of mission."

"Yet Penn State, from the standpoint of appropriations for full-time students, is among the lowest-funded in the state."

In summing up his presentation, Oswald asked that when the appropriation committee considers his funding requests, it remember:

- the number of people served by the University.
- the needs of the state which are met by the University's programs.
- the University's geographic coverage.
- that the University's tuition is among the highest in the country for state universities.
- that faculty members' salaries are among the lowest in the state.
- "I indicate that we are asking nothing new," Oswald said. "You should realize that every cent we can get will be put to the best possible use."
- "We are faced with these mandated costs, and we are trying to be as broadly responsive... as we can."

University's budget cuts called insufficient

By LYNNE JOHNSON
Daily Collegian Staff Writer

HARRISBURG — Many higher education programs are overextended and waste taxpayers' money, Rep. Ivan Itkin, D-Allegheny, told University President John W. Oswald at the House Appropriation Committee hearing yesterday.

In response to Oswald's \$130 million budget request, a 15 percent increase over last year's appropriation, Itkin said higher education institutions must make critical choices about cutting programs which do not directly benefit state residents.

Itkin referred specifically to the College of Education at the University. He said the state spends \$46 million annually to help train students for careers in education when they outnumber the available jobs 2 to 1.

"Every year, over \$50 million is spent to educate people to become teachers when jobs do not exist," he said.

Itkin said money is wasted by training people for

jobs which may not exist, and asked why funds in these areas could not be cut.

University Provost Edward D. Eddy said the administration has cut one program in the college of education and has planned a detailed analysis of the certification and graduate programs to determine adjustments.

Oswald also said the University has been cutting programs since he became president in 1970. He said he refused to make more commonwealth campuses four-year institutions because of the expense involved.

But Itkin said the effort was insufficient because the University still requested a 5 percent budget increase to operate.

Eddy said the University has cut program funding and service costs recently, but rapidly spiraling inflation has offset the affect of the decreases.

"As long as state appropriation is not keeping up with the rate of inflation, we have to eat into the quality of existing programs," he said.

But Itkin said the University still maintains "missions no longer of any use." He said the Allentown commonwealth campus could be eliminated because several adequate colleges exist in the area already. He said the University is looking for alternative uses for the campus instead, which it could probably "sell to the committee" in the future.

Despite rising inflation, the University will have to make critical choices to reduce the budget a little more quickly, Itkin said.

Itkin has expressed the concern of many in the legislature, Rep. Walter F. DeVerter, R-Mifflin and Centre Counties, said.

During the hearing DeVerter told Oswald that his constituents no longer want to fund education by paying increasing taxes which never are rescinded once adopted.

"My constituents seem to be saying, 'We are tired of paying the increased costs of education,'" DeVerter said.

In a later interview, DeVerter said the taxpaying

public wants some justification for increased education spending.

With recent public opinion, DeVerter said he doubted whether the University would get the requested 16 percent increase. He said the legislature would probably maintain the governor's proposed 5.2 percent increase unless a political struggle develops among the leaders, which could reduce the appropriation further.

With decreasing enrollments and conservative state appropriations, universities must seriously consider reorganizing their spending procedures.

"All of our institutions are going to have to go back to the drawing board," he said.

Oswald said if the proposed increase is not approved, next year's tuition will probably increase.

The University will continue to cutback more heavily in non-academic programs as well, Oswald said. In the past, two-thirds of the budget cuts were made from non-academic programs, such as student services, while one-third came from academic programs.

IN EDITION



Chi Phi Pole-A-Thon charity hits new high

If you've ever said to yourself, "I'll never give money to charity unless someone sits on top of a 20-foot pole for 84 consecutive hours, then here's your chance to make good your offer."

Chi Phi fraternity is sponsoring their first and potentially annual "Pole-A-Thon" for the benefit of muscular dystrophy next week. Steve Jones (9th-pre-medicine), the project chairman, said all 45 brothers and pledges of the fraternity will take turns sitting on top of a 20-foot telephone pole from 8 a.m. April 11 until 8 p.m. April 14. They will be accepting pledges and donations in hopes of reaching their goal of \$2,000 during that time.

Jones said the pole will be placed on the corner of Garner Street and Hamilton Avenue next Monday, complete with a seating platform and telephone hook-up. He said they got the idea from a Chi Phi chapter in Indiana which had success with Pole-A-Thons in the past.

Now, if you've ever said to yourself, "I'll never give money to charity unless someone sings Italian operas while standing on their head under water for

84 consecutive hours," then I suppose you'll just have to wait another year.

'Fall-out suits' fall short of protection

The "nuclear fall-out suits" reported on sale at a local store in yesterday's paper will not protect you from nuclear fall-out, according to John Gingerich, an employee of the store.

According to Gingerich, the suits are actually uniforms designed for the crews which fuel jet aircraft, and not for nuclear fall-out protection.

Nonetheless, Gingerich said the store did sell one suit, and he said they got a few calls from people asking how far away from the Three Mile Island the suits are effective. "We told them 300 miles," Gingerich said.

He said they decided to bill the rubberized suits as "fall-out suits" in order to make people less tense about the reactor incident.

Maybe that's why the suits had no protection for the head.

What do you think is in the roach dip?

Unless state House Bill 456 is amended for spelling, no one will be

allowed to sell or possess "roach dip" any more.

The bill is being proposed to prohibit the possession and sale or other distribution of controlled drug paraphernalia, such as bongos, coke spoons and, presumably, "roach clips." But the bill now reads, "... 'roach dips' and any other device commonly used in administering controlled substances... will be prohibited."

Then again, some people raised an eyebrow the first time they heard of hash brownies...

Fahringer feeds fish tobacco taste treat

When you think about it, fish have a pretty boring time of it just swimming around in an aquarium eating fish food and smaller fish. It is hardly a wonder, then, that one goldfish in particular has been amusing itself lately by chewing tobacco.

Scott Fahringer (3rd-engineering), who owns the goldfish, said he just puts a little Copenhagen in his aquarium and the fish swims to it, puts it in its mouth for 30 seconds to a minute and then spits it out.

"The angel fish tried it once, but didn't like it," Fahringer said. He also

said he has four other goldfish which don't chew tobacco. "One fish drank some beer once, but it died," Fahringer said.

Fahringer said he first discovered his goldfish liked chewing tobacco when a friend of his put some tobacco in his aquarium to see if any of the fish would eat it. When they saw that one of the goldfish seemed to keep going back for more, they decided to continue the feedings.

When asked if he thought this might be a little unusual for fish to do, Fahringer said: "Yeah, I guess so. But

then, you can't really expect them to smoke, can you?"

—compiled and written by Bob "Suds" Carville

Wire Story Of The Week

FITCHBURG, Mass. (AP) — Oops! "This is the first time this has happened to us in 23 years," said forlorn insulation contractor Gerald Lavoie after he learned his workers were busily tearing exterior shingles off the wrong house.

The proper house was two doors away on Forest Street. Mrs. Marion Haude, 52, couldn't help but seem bewildered when she woke up Tuesday to see a spread of her shingles missing.

Snowy surprise

Today and tonight will be mostly cloudy with flurries and snow squalls giving us a dusting of snow. Temperatures will fall to 27 and hold there all day and fall to 20 tonight. But very windy conditions will drop the wind chill factor well below zero. Morning flurries will give way to increasing sunshine tomorrow with a breezy high of 37. Sunday will be partly sunny with some high clouds and a high of 46.

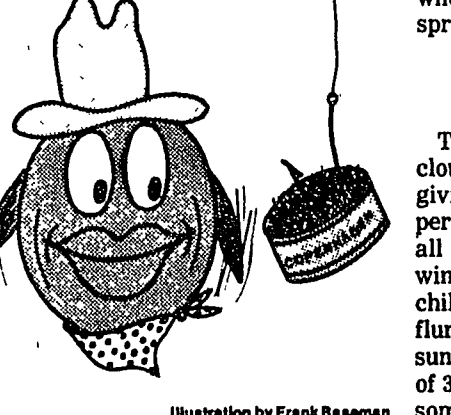


Illustration by Frank Baseman