The Daily Argus
MOUNT VERNON, N. Y.
(NEW YORK CITY MARKET AREA)
D. 19,258

FEB 19 1976

Carey denies rift over environment

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Gannett News Service

ALBANY — Gov. Hugh L. Carey went out of his way Wednesday to toss laurels to Environmental Conservation Commissioner Ogden R. Reid, whose efforts have become tangled in the administration's new drives to stop the flow of jobs from the state.

Answering a press conference question about banking practices, he pointedly went astray to bring up the names of Reid and Commerce Commissioner John Dyson, between whom a public argument has erupted over jobs and environmental considerations.

"Each of these men has been and is an active protagonist for their point of view," said Carey. "They are not in conflict. There is not a power struggle in any sense."

Nonetheless, in bringing up the matter, Carey was acknowledging that the Reid-Dyson fight has caused some bruised egos.

Dyson briefed the press this week on Carey's economic plans, which include a slowdown on regulations calling for wider studies of the possible environmental impact of construction projects by state and local governments and private developers. The regulations are being put together by Reid's department.

The governor also has backed away somewhat from Reid's position that industry — chiefly General Electric Co. — must stop all discharges of the chemical PCB in state waters this year. Instead, he favors waiting for federal regulations that would apply to all states, and thus discourage industry — and jobs — from fleeing to states that now have more relaxed PCB standards than New York's.

Both positions are part of a rapid turnaround triggered by Carey's reassessment of the state's economic position. He has made the creation of private industry his top priority for 1976, a decision that by its nature had to backlash on environmental considerations.

Perhaps to try to assure environmentalists that Reid still was firmly plugged into his administration, and perhaps to soothe his former Democratic colleague in the House, the governor Wednesday applauded Reid for his decision to ban the sale of fish caught in the Hudson River because of PCB contamination.

"I want to indicate my strong support for Mr. Reid in that regard," said Carey.

He said that what he referred to as a "stretchout" of the time period for implementing the environmental regulations was not backpedalling. He said the regulations would go "full speed ahead" in their effect upon state projects.

He also indicated that he basically agreed with Dyson's call for reduced income taxes for high-income earners to encourage executives to stay in New York instead of moving themselves — and many jobs — to tax havens such as New Jersey and Connecticut. He called it a "fact of life" that New York's high income taxes are a prime discouragement to highly paid executives.

MONS 033121