By Mr. RAMSAY (by request):

H. R. 5290. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims for basic and overtime compensation; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 5291. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. TAURIELLO:

H. R. 5292. A bill to expedite the payment of the special dividend in the national service life insurance fund; to the Committee on Veterans' Affairs.

By Mr. McKINNON:

H. R. 5293. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. WELCH of California:

H. R. 5294. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; to the Committee on Armed Services.

By Mrs. ROGERS of Massachusetts:

H. J. Res. 279. Joint resolution to extend until June 30, 1950, the authority of the Administrator of Veterans' Affairs relative to conveyances for disabled veterans; to the Committee on Veterans' Affairs.

By Mr. ABERNETHY:

H. J. Res. 280. Joint resolution to relieve the world shortage of fertilizer nitrogen for agricultural purposes by providing for production and distribution of nitrogenous fertilizer materials by the Army during the fiscal year 1949–50; to the Committee on Armed Services.

By Mr. NIXON:

H. Res. 262. Resolution to commend J. Edgar Hoover for his service to the country and to express the complete confidence of the House of Representatives in the conduct of his office; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. Res. 263. Resolution relative to charges made by President Truman against representatives of the real-estate and home-building industries; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENTSEN:

H. R. 5295. A bill for the relief of C. R. Springman; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 5296. A bill for the relief of Wilhelm Mayer, Jetty Mayer, Carl Gellmann, and Hertha Gellmann; to the Committee on the Judiciary.

H. R. 5297. A bill for the relief of Fredy Kohn, Anna Kohn, and Hugo Ronald Kohn; to the Committee on the Judiciary.

By Mr. GAMBLE:

H. R. 5298. A bill for the relief of Anna Maria Francesca Fiorenza; to the Committee on the Judiciary.

By Mr. KENNEDY:

H. R. 5299. A bill for the relief of Mrs. Giovanna Follo Discepolo and her three children; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

1128. By Mr. LYNCH: Petition of United Irish-American Societies of New York, urging amendment of article 4 of the Atlantic Pact regarding partition of Ireland; to the Committee on Foreign Affairs.

1129. Also, petition of the American Legion, Bronx County, N. Y., supporting H. R. 2193, a bill which provides for waiver of certain physical requirements in the cases of certain disabled veterans; to the Committee on Post Office and Civil Service.

1130. By the SPEAKER: Petition of Gertrude Wiley and others, South Bend, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1131. Also, petition of Mrs. Mary Hoffnagle and others, Philadelphia, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1132. Also, petition of the Townsend Plan for National Insurance, Independence, Mo., transmitting petition of Oliver C. Houston and others requesting passage of H. R. 2165 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1133. Also, petition of Mrs. Rosa Varner and others, Austin, Tex., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1134. Also, petition of C. H. McCormick and others, Houston, Tex., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1135. Also, petition of R. W. Nance and others, Tumwater, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1136. Also, petition of Phil B. Sheridan and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, JUNE 23, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we come in the assurance not of our feeble hold of Thee but of Thy mighty grasp of us. We thank Thee for the sweet refreshment of sleep, restoring the frayed edges of care, and for the beckoning glory and the fresh vigor of the new day.

Across all its toiling hours, O Thou great companion of our souls, keep our hearts with Thee as once more our faces are set toward vexing social problems which tax our utmost to solve.

May we march with conquering tread in the gathering armies of friendship whose armor is the shield of Thy truth and whose sword is the might of Thy love, against which all the spears of hate cannot ultimately prevail.

We ask it in the dear Redeemer's Name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 22, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Humphrey	Neely
Bridges	Hunt	O'Mahoney
Butler	Ives	Pepper
Cain	Jenner	Reed
Chapman	Johnson, Colo.	Robertson
Chavez	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smith, Maine
Cordon	Kerr	Sparkman
Donnell	Kilgore	Taft
Douglas	Langer	Thomas, Okla.
Downey	Lucas	Thomas, Utah
Eastland	McCarran	Thye
Ferguson	McCarthy	Tobey
Flanders	McClellan	Tydings
Frear	McFarland	Watkins
Gillette	McGrath	Wiley
Graham	McKellar	Williams
Green	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Texas [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Idaho [Mr. TAYLOR] are detained on official business in meetings of committees of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, which is meeting in Rome, Italy.

The Senator from Connecticut [Mr. McMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. TAFT. I announce that the Senator from Montana [Mr. ECTON] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent on account of illness.

The junior Senator from Massachusetts [Mr. LODGE], the senior Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Missouri [Mr. KEM] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

[Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Vermont [Mr. AIKEN], the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. GURNEY], and the Senator from Nevada [Mr. MALONE] are detained because of their attendance at meetings of the various committees of the Senate.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

INCREASE IN SALARIES FOR HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS — MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read by the legislative clerk.

(For President's message, see today's proceedings of the House of Representatives on pp. 8273–8274.)

The VICE PRESIDENT. Inasmuch as there is a bill on the calendar dealing with the subject covered by the President's message, the message will lie on the table without being referred to a committee.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, submit petitions and memorials, and present for printing in the RECORD routine matters, as though we were in the morning hour, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITION

Mr. McMAHON presented a joint resolution of the General Assembly of the State of Connecticut, favoring the enactment of Senate bill 1387 and House bill 3787, providing that the proposed veterans' hospital at West Haven, Conn., be officially known and designated on the public records as the John D. Magrath Memorial Veterans' Hospital after the East Norwalk, Conn., youth of that name who was killed in action on April 14, 1945, and was posthumously awarded the Medal of Honor; which was referred to the Committee on Labor and Public Welfare.

(See text of joint resolution printed in full when laid before the Senate by the Vice President on June 20, 1949, p. 7892, CONGRESSIONAL RECORD.)

INTERSTATE TRAFFIC IN SUBVERSIVE TEXTBOOKS—PETITION

Mr. MORSE. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a letter from H. D. Bagnall, secretary of the Oregon Society, Sons of the American Revolution, Portland, Oreg., together with a petition from that society and my reply thereto, relating to interstate traffic in subversive textbooks.

There being no objection, the matters were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

OREGON SOCIETY,
SONS OF THE AMERICAN REVOLUTION,
Portland, Oreg., June 15, 1949.

Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR COMPATRIOT: The Oregon Society respectfully requests that the enclosed petition for redress of grievances be presented to the Senate.

Thanking you, I am,
Cordially yours,

H. D. BAGNALL,
Secretary.

PETITION FOR REDRESS OF GRIEVANCES

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the National Society and the California Society of the Sons of the American Revolution, and we do hereby join in and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 21st day of May 1949, in the city of Portland, State of Oregon.

OREGON SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION,
By CLARENCE R. HOTCHKISS, *President.*
H. D. BAGNALL, *Secretary.*

JUNE 22, 1949.

H. D. BAGNALL,
Secretary, Oregon Society, Sons of the American Revolution, Portland, Oreg.:

Thanks for June 15 letter with its enclosed petition in respect to subversive textbooks. Am having it printed in CONGRESSIONAL RECORD and referred to chairman of appropriate Senate committee for consideration. As I understand it appropriate committees of House and Senate already have pending before them similar petitions and are looking into charges that some textbooks are subversive. Regards.

WAYNE MORSE,
United States Senator.

POWERS OF FEDERAL RESERVE BOARD—RESOLUTION OF KANSAS BANKERS ASSOCIATION

Mr. SCHOEPPEL. Mr. President, I have recently read what I consider a very important resolution adopted by the Kansas Bankers Association on May 20, 1949. At that convention there were 1,826 delegates registered.

The resolution states the opposition of 609 member banks of the Kansas association to Senate bill 1775 and Senate Joint Resolution 87, relating to the powers of the Federal Reserve Board.

I believe the resolution merits careful consideration by the Congress, and I therefore ask unanimous consent that the text of the resolution be printed at this point in the RECORD and that it be referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY COMMITTEE ON FEDERAL LEGISLATION OF THE KANSAS BANKERS ASSOCIATION PRESENTED TO AND RATIFIED BY THE KANSAS BANKERS ASSOCIATION IN CONVENTION ASSEMBLED AT KANSAS CITY, MO., MAY 20, 1949

Whereas there is now pending before the Congress Senate bill 1775 and Senate Joint Resolution 87, the first of these bills having for its purpose making permanent the temporary authority of the Board of Governors of the Federal Reserve System to increase reserve requirements of member banks and also granting new and enlarged powers to the Board of Governors of the Federal Reserve System, permitting the Board to require nonmember insured banks to maintain reserves in addition to such reserves as are now required under State law; and

Whereas Senate Joint Resolution 87 grants to the Board of Governors of the Federal Reserve System further extension of powers over consumer credit: Now, therefore, be it

Resolved, That the Kansas Bankers Association, in convention assembled, expresses its vigorous opposition to both measures for the following reasons, viz:

1. The proposed increased and enlarged powers of the Federal Reserve Board over the reserves of nonmember insured banks is in violation of the rights of the several States to regulate their own systems of banking.

2. The Congress of the United States should never delegate its power to regulatory bodies except in the existence of an emergency.

3. The emergency for which some of the powers proposed in these two measures were originally delegated has passed and there is no occasion or reason for their extension at the present time. Under no circumstances should they be made permanent. The proposed legislation is untimely and unnecessary and restricts the lending powers of banks at a time when the lending powers of banks are being used to assist in the adjustment of economic conditions.

4. Credit today is declining and not expanding. The seller of goods and the grantor of credit are in a better position than any board can be to judge what terms of credit should be extended to individuals and to vary such terms as among individuals and in accordance with changing conditions.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TYDINGS, from the Committee on Armed Services:

S. 1990. A bill to amend section 429, Revised Statutes, as amended, and the act of August 5, 1882, as amended, so as to eliminate the requirement of detailed annual reports to the Congress concerning the proceeds of all sales of condemned material; with amendments (Rept. No. 563).

By Mr. KNOWLAND, from the Committee on Armed Services:

S. 862. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; with an amendment (Rept. No. 560); and

S. 863. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; with an amendment (Rept. No. 561).

By Mr. JOHNSON of Texas, from the Committee on Armed Services:

S. 780. A bill for the relief of Commander Edward White Rawlins, United States Navy; with amendments (Rept. No. 562).

By Mr. KERR, from the Committee on Interior and Insular Affairs:

S. 1647. A bill to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (30 U. S. C., sec. 192); with amendments (Rept. No. 564).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1949, he presented to the President of the United States the following enrolled bills:

S. 41. An act for the relief of the city of Reno, Nev.;

S. 646. An act granting a renewal of patent No. 54,296 relating to the badge of the American Legion;

S. 647. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary;

S. 676. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of The American Legion; and

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds.

STATEHOOD FOR HAWAII

Mr. BUTLER presented a copy of a report as filed by him with the Committee on Interior and Insular Affairs pursuant to action taken with reference to an investigation which he conducted in Hawaii, which was ordered to be printed in the RECORD as follows:

COMMUNIST PENETRATION OF THE HAWAIIAN ISLANDS

Pursuant to the authority granted by the Committee on Interior and Insular Affairs, on May 8, 1948, the undersigned, then chairman of the committee, visited the Territory of Hawaii to make investigation with respect to H. R. 49 (80th Cong.) granting statehood to the Territory. On the basis of this personal visit your subcommittee recommends without equivocation that statehood for Hawaii be deferred indefinitely.

My visit to Hawaii, supported by many interviews on the islands, leaves me with the deep conviction that international revolutionary communism at present has a firm grip on the economic, political, and social life of the Territory of Hawaii. Statehood should not be considered seriously, in my opinion, until the people of the islands demonstrate by positive steps a determination to put down the menace of lawless communism.

I have the highest regard for the people of the Territory. An overwhelming majority are hard-working, law-abiding citizens, devoted to the fundamental principles of responsible self-government in the American tradition. The progress of the Territory during the last 50 years easily matches that of any community. The Territory of Hawaii stands high in the scale of education, achievement, culture, business acumen, and fine civic spirit. Only the alarming excesses of a minority group of aggressive revolutionary Communists mar the future prospects of the islands today.

Since VJ-day, in September 1945, the Hawaiian Islands have become one of the central operations bases and a strategic clearinghouse for the Communist campaign against the United States of America. By the well-known infiltration tactics of world communism, a relative handful of Moscow adherents in the islands, operating chiefly through the International Longshoremen's and Warehousemen's Union, has persistently sabotaged the economic life of the Territory. This premeditated campaign of sabotage, through strikes, slow-downs, arbitrary work stoppages, and violent racial agitation, is inspired, managed, directed, and financed largely through the international headquarters of the ILWU in San Francisco.

Harry Bridges, president of the ILWU, is the unseen Communist dictator of the Territory of Hawaii. He operates through John Wayne Hall, regional director of the ILWU in Honolulu, who is an identified Communist.

Both the ILWU and Harry Bridges, personally, are publicly identified in the records of the House Committee on Un-American Activities as long-time Communist operatives.

This report of the House Committee on Un-American Activities details the recent history of communism in the Hawaiian Islands, and the methods by which it has penetrated every aspect of life in the Territory—business, labor, transportation, agriculture, education, publishing, radio, entertainment, and, in lesser degree, even the religious life of the community.

LEGISLATIVE BACKGROUND OF THIS REPORT

S. 156 was introduced on January 5, 1949, and referred to the Senate Committee on Interior and Insular Affairs. This bill to grant statehood to the Territory of Hawaii is the same as H. R. 49, which was passed by the House of Representatives and referred to this committee during the Eightieth Congress.

On May 8, 1948, the Senate committee considered H. R. 49 and the following motion was adopted:

"That we do not take action on the report at this time; that the chairman be instructed to arrange at the earliest practicable time a trip, or trips, to Hawaii of those members of the committee who desire to study the matter on the ground."

On June 16, 1948, the committee voted the chairman full authority to conduct any necessary investigations in the Territory of Hawaii, and to employ investigators.

In accordance with this authority I employed a staff investigator to make an on-the-spot investigation of Communist activities in the Territory. The committee investigator arrived in Honolulu on August 18, 1948. His field investigations continued through October 28, nearly 2½ months. He had opportunity to meet and talk with several hundred citizens of the islands and thus get frank opinions from people in every walk of life.

Plans then were made to hold formal committee hearings in Hawaii during November, but late in October, due to the Pacific coast maritime strike, which was still in progress, the hearings were canceled.

At this point Hugh R. Brown, chief clerk of the committee, was directed to proceed to Honolulu and make arrangements to interview citizens of Hawaii, many of whom had been in contact with the committee through correspondence. He arrived in Honolulu October 28 and I reached there Saturday, October 30.

Interviews started Monday, November 1, in the office of the Speaker of the House of Representatives of the Territory of Hawaii, Iolani Palace.

In all, 77 confidential interviews were made a matter of record. In addition to this number, I personally talked with more than 100 citizens whose remarks were not made a matter of record. Anyone who desired to talk with me or members of the staff was granted a hearing.

Many of these favored statehood and many opposed statehood. A considerable number stated that although they formerly had been in favor of statehood, they had now changed their minds and preferred that statehood not be extended to Hawaii until such time as Communist influence might be brought under control. Many expressed fear that continued Communist infiltration ultimately would control the islands.

It is regretted that it is not possible to make public the names of a number of the citizens who appeared before us. However, it would have been impossible to procure many statements had I not given assurance that the names of the witnesses would be held in confidence. I do have the names of all the witnesses, and if necessary can review them with members of the committee in executive session.

COMMUNIST ORGANIZATION IN HAWAII

There is little doubt that the Communist Party in Hawaii is much more influential than the small official membership would indicate.

The Communist Party in the Hawaiian Islands is a subdivision of the Communist Party of the U. S. A., district No. 13, which has its headquarters in San Francisco, Calif.

The highest body of the Communist Party in Hawaii is the general convention, composed of delegates from the various party cells throughout the Territory. When the convention is not in session, the actual directing body is the Territorial executive committee. The members of this executive committee are named by the Communist Party branches in the Territory.

There are 11 branches of the Communist Party in Hawaii, 9 of which are on the island of Oahu, and 1 each on the islands of Hawaii and Kauai.

In 1947 the members of the territorial executive committee were: Jack Denichi Kimoto, chairman; John Wayne Hall; Dwight James Freeman; Robert Walter McElrath; Mrs. Robert Walter McElrath; Charles Kazuyuki Fujimoto; Mrs. Charles Kazuyuki Fujimoto; Koichi Imori; Ralph Vernon Vossbrink; and David Hyun.

The Communist background of each of these executive committee operatives in Hawaii is summarized below:

Jack Denichi Kimoto, 2162 Makanani Drive, Honolulu, T. H., is educational director of the Communist Party in Hawaii, and a member of the secret clique which controls actual party operations in the Territory. This group is composed of Dwight James Freeman, John Wayne Hall, and Dr. John Ernest Reinecke. Kimoto is editor of the Hawaii Star, a Communist-line Japanese-language weekly newspaper, published at 811 Sheridan Street, Honolulu. He is a native-born citizen of Japanese ancestry. He was one of the original organizers for the Communist Party in Hawaii, having been assigned by party headquarters in California to Honolulu in 1938 for that purpose.

John Wayne Hall, 2955 Oahu Avenue, Honolulu, T. H. Hall is the author of the security measures regulating the conduct of Communist Party members in Hawaii. Since 1937 he has been an active Communist in Hawaii. He attended the Communist Party training school in San Francisco in 1939 and is the regional director of the ILWU, with offices at pier 11, Honolulu. He is married to Yoshiko Ogawa, an American citizen of Japanese ancestry. He was born in Wisconsin in 1914.

Dwight James Freeman, Apartment C, 1920 Kahaki Drive, Honolulu. Freeman was born in 1912 in Oklahoma, served in the Navy during World War II, and is married. He is the full-time paid organizer for the Communist Party in the Territory, having arrived in Honolulu on October 3, 1946.

Robert Walter McElrath, 1112 Elm Street, Honolulu. McElrath was born in 1916 at Spokane, Wash., and was formerly a seaman who settled in Honolulu in 1941. He is Territorial representative of the ILWU and Honolulu director of public relations for both the Communist Party and the ILWU. He was a delegate to the national convention of the Communist Party held in New York City in 1940 and attended the Communist Party training school in San Francisco in 1939.

Mrs. Robert Walter McElrath, nee Ah Quon Leong), 1112-B Elm Street, Honolulu. Mrs. McElrath was born in Honolulu in 1915 and married McElrath in 1941. She was formerly an employee for the Territorial department of public welfare as a social worker, and now works in the ILWU research department. She was a member of the American Student Union during her senior year in college at the University of Hawaii, where she graduated in 1938.

Charles Kazuyuki Fujimoto, 1526 Kaihee Street, Honolulu. Fujimoto was born in 1917 in the Territory and married Eileen Toshiko Nakama in 1942. With his wife he was chosen to attend the Communist Party leadership school held in San Francisco in September 1947. Formerly a chemist at the agricultural experiment station at the University of Hawaii, he is a graduate of the university with bachelor of science and master of science degrees. He has represented the Wakiki Club on the Territorial executive committee of the Communist Party.

Mrs. Charles Kazuyuki Fujimoto (nee Eileen Toshiko Nakama), 1526 Kaihee Street, Honolulu. Mrs. Fujimoto was born in 1920 in Honolulu and married in 1942. She is the secretary to Jack Kawano, president of local 136, ILWU Longshore and Allied Workers, and attended the Communist Party leadership school in San Francisco with her husband in 1947.

Koichi Imori, Wailuku, Maui. Imori was born in 1917 on Oahu Island and is single. He was formerly a general organizer for the AFL but was dismissed for his attempted recruitment of Communist Party members among the rank and file of the AFL joint council of the teamsters union. He is now international representative of the ILWU on the island of Maui.

Ralph Vernon Vossbrink, 2340 Pacific Heights Road, Honolulu. Vossbrink was born in San Francisco in 1918 and was married in 1946 to Kazu Tsukiyama, a citizen of Japanese ancestry. He has been active in Communist Party affairs in Honolulu since 1945, when he left his ship on which he had served as merchant seaman. Previously he had been a recruiter for the seaman's branch, Communist Party. At present he is national representative of the National Union of Marine Cooks and Stewards, CIO, and president of the CIO council for Oahu Island.

David Hyun, 1349 Alapsi Street, Honolulu. Hyun is a legal resident of Los Angeles, Calif., at present. While in Hawaii he represented the Punch Bowl Club on the Communist Party's executive committee.

THE COMMUNIST PARTY BEGAN UNDERGROUND

Until 1947 the Communist Party in Hawaii functioned as an underground organization. The general security measures taken by the party in the Territory during the registration of members in 1947 included the following instructions to each cell: (1) Membership books and registration cards to be kept under lock and key; (2) a record must be kept of all canceled or spoiled books and cards, and they should be returned to the State office with an accounting of all books issued; and (3) no names should appear on any registration card.

THE COMMUNIST PARTY COMES INTO THE OPEN

At a meeting of leaders of Communist Party, district No. 13, in San Francisco, Calif., on September 26, 1947, Mrs. Charles Kazuyuki Fujimoto reported that various Communist Party members in the trade-union movement in Hawaii were working with leaders of the International Longshoremen's and Warehousemen's Union, and with certain factional representatives of the Democratic Party in Hawaii. Mrs. Fujimoto stated the Democratic Party in Hawaii was selected by the local Communist executive committee to be the political organization into which the Communist Party would infiltrate and operate.

Mrs. Fujimoto reported that the Democratic Party had been selected because the Communist Party in Hawaii could not operate on the political front, apparently because of Territorial statutes, and, therefore, some broader apparatus was required.

She added that in the event the Communist Party was unsuccessful in its efforts to capture the Democratic Party organization in the Territory, it was planned that a third party movement would be launched.

The CIO Political Action Committee was active in Hawaiian Islands in 1946 and the first half of 1947. The Honolulu Star Bulletin, on September 27, 1947, reported that the CIO Political Action Committee was being curtailed to strictly educational functions among the rank-and-file members of labor unions. This article further suggested the ILWU members were to be encouraged, as individuals, to join the Democratic Party and participate in all of its affairs.

John Wayne Hall, the leader of the ILWU in the Hawaiian Islands, met with Harry Kronick, a leader in the Democratic Party in Honolulu, during September 1947 to determine policies for assistance to be given the Democratic Party by the ILWU. Hall refused to have anything to do with Gov. Ingram M. Stainback, Democrat, of Hawaii, in connection with the reorganization of the Democratic Party in the islands.

By March 1948 the ILWU had undertaken a militant campaign to infiltrate and control the Democratic Party from the precinct level up through the Territorial convention, which was scheduled for May 1948.

This infiltration of the Democratic Party in Hawaii was under the direct leadership of Harry Lehua Kamoku, a recognized Communist and a prominent ILWU leader. Kamoku's activities were concentrated in the precinct and county committees in election districts Nos. 1 and 2.

On March 9, 1948, Lau Ah Chew, chairman of the Oahu County Democratic Committee, announced that all Democratic precinct clubs on Oahu would become inactive as of midnight, March 31, 1948, and that new officers and delegates to the Territorial convention of the Democratic Party would be elected on April 1, 1948. This was the big Communist coup.

This action of Chew in dissolving all Democratic precinct clubs was planned to place the advantage in the precinct elections in the hands of the Communist-controlled ILWU element. In spite of considerable opposition to Chew's order, Democratic precinct elections were held generally on April 1, 1948. They resulted in a clean sweep for the Communist-controlled ILWU group. That group thereupon took over the Democratic Party organization in the Territory, lock, stock, and barrel. The former Democratic Party became the Communist apparatus in the Territory of Hawaii.

The Democratic Territorial Convention was held in Honolulu on May 2, 1948, at the McKinley High School auditorium. Forty-one Communist Party members were delegates or alternates to this convention. They controlled every committee in the convention.

The Communist-controlled ILWU group was able to meet the requirements for membership in the Democratic Party Central Committee by reducing the basic residence qualifications from 3 years to 15 months.

Mrs. Victoria K. Holt, then Democratic National Committee-woman from Hawaii and a candidate in 1948 for the office of Delegate to Congress, met with me in Hawaii and answered many questions in regard to the Territory. It is my belief that her views regarding the present Communist control of the Democratic Party organization in the Territory are most pertinent, and are summarized in a radio speech late in May 1948, in which she announced her candidacy for Delegate to Congress. On this occasion Mrs. Holt said in part:

"I am Victoria K. Holt, Democratic candidate for the office of Delegate to Congress.

"I have been active in the Democratic Party for the last 30 years, being the wife of your former legislator, the late Charles H. K. Holt. I have served the Democratic Party, as county committee member, president of the twenty-eighth precinct of the Fifth District, vice chairman of the Territorial Central Committee, and also as assistant campaign manager in 1942, and campaign manager in 1946. I am now the Democratic national committeewoman for Hawaii. For years and years the members of my family, and my late husband, have been active in island politics as members of the Democratic Party. There has been a Holt in almost every Territorial legislature for the last 30 years or more.

"As a result of this close connection with Democratic Party affairs, I have come to realize in recent months that there is an underground group here in the Territory—the Communist Party—which intends to take over the Democratic Party and use it for its traitorous purposes. In fact, the Communist Party has already captured control of most of the high committee offices of the Democratic Party.

"I am frank to say that I would not now be the Democratic national committeewoman for Hawaii if the Communist Party had willed otherwise at the last Democratic Territorial Convention held on May 2, 1948, when I was up for reelection. Please do not misunderstand me. I did not ask for their support, and I struck no bargains with them or with the people they controlled. I now realize that the only reason that I am the Democratic national committeewoman for Hawaii is because the Communists were afraid to make a clean sweep and throw all the old-time Democrats out of the last convention. They knew it would look too obvious. Therefore, they allowed some of us to receive Democratic Party offices to camouflage the fact that they were in complete control.

"As a native daughter of Hawaii, as the mother of nine children all living in these islands, and as a Democrat with the interest of all the people close to my heart, I would not stand by and do nothing. I could not stand by and see my islands and my party sold out to these traitorous, scheming people. I felt it my duty to get in and fight. * * * Under the circumstances, I felt I would be derelict in my duties as national committeewoman and as a loyal American citizen not to seek office in this very important campaign. I therefore announced my candidacy for Delegate to Congress on May 25, 1948."

At another point Mrs. Holt said:

"The rank and file of the Democratic Party and the rank and file of the ILWU, both find themselves controlled by the same Communist group. Naturally, we in the Democratic Party resent it. And I know you in the ILWU, as honest American union men and patriots, also resent it. It is not pleasant for you to have your leaders publicly branded as Communists, and to have them fail to unqualifiedly deny it. It is not pleasant to be led by Communists, because people will inevitably think that you are Communists, too. The loyal Americans who are the rank and file of the Democratic Party feel the same way.

"It is not pleasant to know that Communists and their dupes are in control of high committee offices in the Democratic Party. We are just as embarrassed as the great mass of loyal Americans in the ILWU at having the Red brush of communism leveled at us. We are just as anxious to throw these traitors out of our party as you are anxious to throw them out of your union. * * *

"The great problem that confronts the rank and file of the Democratic Party, and of our ILWU, is how to get rid of Communist domination."

In continuing her radio address to the Democratic voters of the Hawaiian Islands, Mrs. Holt said:

"The Communist Party does not have your interests at heart—except when the interests of Moscow demand it. * * * If the party line from Moscow ever requires it, they will cause you to strike and strike, just to weaken the country. The fact that you go without food or money is no concern of theirs. They have the interests of Moscow at heart, not yours, and they will ruin you if it will help Moscow.

"How to get rid of Communist control in the Democratic Party and in the ILWU is a problem that the rank and file of both organizations must work out together. It is not an easy problem. It is never easy to get rid of a group which is in control. * * *

"The strength of the Communist Party does not depend on the numbers of the Communists in the Territory. It depends upon the great number of people who will play ball with them and submit to their control. You must refuse to elect this controlled group both in union and political elections. Remember—the man they support is the man they believe they can control. * * *

"I have always been for statehood—fighting for it with real sincerity. In 1946, as a guest of the Democratic National Committee in Washington, D. C., I spent 2 weeks in Washington plugging for statehood. Naturally, when we were denied statehood this year, I was sorely disappointed. However, since then, I have come to realize that it was probably for the best. I did not know until the Democratic Convention on May 2, 1948, how serious the Communist problem was. But now that I realize its seriousness, I realize that we cannot expect statehood—that we should not have statehood—until we prove to ourselves and to the rest of the United States that we can solve the Communist problem.

"The Communist situation here is dangerous. As long as this Communist group controls the leadership of the ILWU, it controls sugar, pineapple, and shipping—three of our principal industries. If it ever called a general strike, on orders from Moscow, it would ruin our economy. The situation in industry is bad enough, but if we should receive statehood before we have learned to lick this Communist situation, what assurance is there that they will not be able to control our government? What assurance is there that they won't be able to worm into control, as they did in the Democratic Party, and control an elected governor, the courts, the police, and our boards and commissions? This cannot happen as long as we are a Territory, but it can happen if we are a State. Further, if we are a State, and if it does happen, there is nothing that Washington can do about it. We would be helpless. We must prove that we can control the Communist problem before we can expect Congress to grant us statehood."

Several former members of the Democratic Party in Hawaii testified that a definite voting majority within the Democratic Party organization now rests in the hands of the Communist-controlled ILWU group. They also stated that Wilfred Oka, who formerly held the position of international representative of the United Public Workers of America, CIO, had been relieved of his duties with the union to become a paid organizer for the Oahu County committee of the Communist-controlled Democratic Party.

Intent upon this capture of the Democratic Party organization in Hawaii, the ILWU in 1948 devoted a considerable amount of its energies to political activities. The ILWU is the dominant labor union in the Territory, having an estimated membership of approximately 35,000, a membership far in excess of all other unions combined.

The ILWU executive board in Hawaii had first planned a strike against the sugar industry during the first part of 1948, as had been done in 1946. However, it was decided later that since 1948 was an election year, such a strike should not be called. Instead, the entire effort of the union was concentrated on physical capture of the organization of the former Democratic Party throughout the islands.

On July 17 and 18, 1948, the California State convention of the Communist Party was held in Los Angeles. Dwight James Freeman and Archie Brown were present as representatives of the Communist Party of Hawaii. Mr. Brown was at that time the trade union director of the Communist Party district No. 13, with headquarters in San Francisco.

At this convention Freeman reported at length on the campaign which captured the precinct machinery of the Democratic Party in the Territory.

During September 1948, reports were heard in Honolulu that the Communist Party soon would come out in the open. During October 1948, for the first time, the Communist Party took steps to open their own office. On October 15, Charles K. Fujimoto, a leading Communist in Hawaii, announced to the press that he was resigning from the University of Hawaii to become a full-time official of the Communist Party. A few days later, Communist Party headquarters were opened in his home at 1526 Kaihee Street, Honolulu.

Fujimoto's public announcement said in part:

"I resigned as a research chemist at the University of Hawaii to become a full-time official of the Communist Party of Hawaii. * * * I feel compelled to work for the best interest of the people of the Territory by becoming a full-time official of the Communist Party of Hawaii, an organization dedicated to championing the immediate needs of the people of Hawaii and educating the majority thereof to ultimately support a socialist reorganization of our country."

Later, on October 29, 1948, Fujimoto addressed the people of Hawaii over radio station KHON. His address, America at the Crossroads, began as follows:

"Ladies and gentlemen, this is the first time that a member of the Communist Party of Hawaii is addressing you, the people of Hawaii. In many respects we Communists feel that this is a historic event not only for our party but for the Territory as a whole."

At another point, Fujimoto said:

"In Hawaii the Communist Party is taking its place in the struggles of the people of Hawaii. It is with great pride that the Communist Party is now openly participating in these struggles. * * * We propose a program of government condemnation of large estates and resale of the land to the people for home sites and small farms at cost. We support the revision of present immigration laws, such as the Oriental Exclusion Act, to provide naturalization rights to all immigrants regardless of race or color. * * * We urge the public ownership of all public utilities. On taxation, we believe in the principle of taxation according to ability to pay, with personal exemptions. We support the granting of immediate statehood for Hawaii."

HAWAII CIVIL LIBERTIES COMMITTEE

The Hawaii Civil Liberties Committee was organized in November 1947. The ostensible purpose was to raise funds to be used in the defense of the civil rights of one Reinecke, a school teacher suspended on charges of Communist activities. Jack Hall and other persons high in the ILWU, known members of the Communist Party and sympathizers, and a number of non-Communist liberals, some from the faculty of the University of Hawaii, participated in the preorganization meetings. Not all of the liberals from the university became members, but practically all of the ILWU and Communist Party members did. Accordingly, there can be little doubt that from its inception the HCLC has been completely dominated and controlled by the Communists.

It should be emphasized that the Hawaii Civil Liberties Committee is purely a local organization and has no connection whatever with any similar organization on the mainland. In fact, the American Civil Liberties Union has had occasion specifically to deny that the Hawaii Civil Liberties Committee was in any way affiliated with it. The ACLU, furthermore, has stated publicly that it does not believe the HCLC is seriously concerned with the defense of civil liberties.

All the evidence at hand indicates that the Hawaii Civil Liberties Committee is a cell of the Communist Party in Hawaii. The executive committee meets secretly. Its chairman, Stephen T. Murin, who is also chairman of the Hawaii Civil Liberties Committee, is a known Communist.

Among those who are active in the HCLC, and who are usually present at its meetings, are the following: Dr. John E. Reinecke and his wife, Aiko Reinecke; Rachel Saiki, Robert E. Greene and Mrs. Greene; Mrs. Evelyn Murin, wife of Stephen T. Murin; Esther Bristow; Myer Symonds; Mrs. Harriet Bouslog; Charles K. and Mrs. Fujimoto.

This organization invited to Hawaii, Miss Celeste Strack, educational director for the Communist Party of California. Expenses incident to Miss Strack's trip to Hawaii were paid by the HCLC. During her visit to Honolulu she was guest of honor at a reception in the Library of Hawaii, under the sponsorship of the HCLC. She also appeared as a speaker at a public meeting held in the Central Intermediate School, likewise under the sponsorship of the HCLC. Miss Strack, on another occasion, appeared as a panel speaker on a radio forum at which the relative merits of the Communist system and the American system were debated. This forum created a great deal of discussion in the Territory.

After her sojourn in Honolulu, Miss Strack made a tour of the outer islands. On this tour, which was sponsored and financed by the HCLC, Miss Strack was accompanied by Stephen Murin and Robert Greene. Public meetings, or forums, were held on Kauai, Maui, and Hawaii, at all of which Miss Strack spoke on communism. At these meetings, according to reports later made to the HCLC by Mr. Murin, the attendance was large and much interest was manifested in Miss Strack's subject. On the tour contributions were solicited, and Mr. Murin reported that he had brought back with him checks from ILWU locals on Kauai and Maui, each in an amount in excess of $1,000. He stated that the contributions from the locals on Hawaii had not yet been received but that they would be substantially larger than the amounts contributed on Kauai and Maui. On the tour Mr. Murin and Mr. Greene activated branches of the Honolulu HCLC on Kauai, Maui, and Hawaii.

Prior to Miss Strack's tour of the outer islands, the HCLC had formed a branch at Waipahu on the Island of Oahu. Many of the members of this branch, which is largely Japanese, regularly attended meetings in Honolulu.

A detailed diary of Miss Strack's Hawaiian tour was published in the People's World for August 8, 1948.

NATURE OF THE COMMUNIST PARTY IN THE UNITED STATES OF AMERICA

The Communist Party in the United States of America (of which the Communist Party of Hawaii is a part), is not a political organization in the accepted American meaning of the term. All established political parties in the United States owe first allegiance to this Nation. Their policies and programs are aimed at the steady and constant improvement of American life. Not so the Communist Party. Communists owe first allegiance to Moscow. They seek, not to advance the welfare of the American people, but to advance the power and prestige of Moscow. Their real programs are secret. Their aims are accomplished or advanced, not by honest appeal to the voters, but by a conspiratorial campaign to gain positions of influence in established organizations.

Every program and policy of the Communist Party is shaped in Moscow. The platform and program are handed to the Communist cells in Hawaii ready-made. When the interests of Hawaii and the interests of Moscow diverge, the controlling Communists in Hawaii are pledged to sabotage the Hawaiian interests and to strive for the triumph of the Moscow program.

By this process, communism sells Hawaii down the river at every opportunity, reducing the living standards of the people through strikes and sabotage, obstructing every type and kind of legitimate business activity, sowing daily the seeds of dissension and strife among the people at a time when every consideration of patriotism and national welfare demands peace, harmony, and constructive cooperation for the general welfare.

STRIKE LOSSES CRIPPLE HAWAIIAN ECONOMY

Ocean shipping is the life line of the Territory of Hawaii. When shipping stops, business falters—soon comes to a standstill. Merchants must close their shops. Food disappears from the stores. Shoes and clothing cannot be replaced. Contruction stops. Steadily, from day to day, the economic pulse of the islands beats weaker and weaker. As unemployment spreads to every line of business, unemployment-insurance reserves are drained. First, the ILWU calls a strike on the Pacific coast. Several months later, when the ports of San Francisco, Seattle, and Los Angeles are reopened, a strike begins in the ports of the Territory. At any moment the Communist leaders of the ILWU decide that conditions are not to their liking, the commerce of the Hawaiian Islands is brought to a standstill. The record of shipping strikes on the west coast and in Hawaii tells the story. In 1934 the shipping stoppage lasted 84 days. In 1936 it lasted 98 days. In 1939–40 it lasted 53 days. In 1946 it continued for 54 days. The 1948 strike lasted 94 days. The 1949 strike has been in progress since April 30.

In addition to these demoralizing shipping strikes, the ILWU also has precipitated strikes repeatedly against the sugar and pineapple plantations, usually at a critical time in the development or harvesting of these crops. The sugar strike in 1946 lasted 79 days. The refusal of the ILWU to allow any irrigation work during this long period caused crop damages throughout the entire sugar area, the effects of which still are being felt in the 1949 harvest.

The shipping strikes usually develop at the peak of the tourist season, reducing incoming travel to the vanishing point. During the 1948 shipping strike, for example, one hotel in Honolulu reported $289,000 in cancellations for September and October alone. Traffic in the interisland air system was reduced by half. At one time during the 1948 strike, Hawaiian sugar planters had 120,000 tons of sugar tied up on board ship at San Francisco. Extra handling charges on some sugar shipments ran as high as $12 per ton, far more than the average operating margin realized by most plantations.

The Honolulu Chamber of Commerce estimated that the 1948 shipping strike cost the economy of the Territory about $400,000 a day for the 94-day period. This included a loss of approximately $150,000 a month in wages for longshoremen.

In reviewing these crippling losses, it must be borne in mind that the maritime workers in Hawaii do not themselves call these strikes. The strikes are ordered from the Communist-controlled ILWU headquarters in San Francisco. When the local union in the Territory disavows responsibility for a west-coast shipping strike, the resulting unemployed longshoremen in the Territory then qualify for unemployment insurance during the entire period of the shipping paralysis.

A curious pattern has developed in the ILWU settlement negotiations in Hawaii. Once a strike has been precipitated, local ILWU officials profess they are without authority to make specific settlement terms; that terms can be agreed to only by ILWU headquarters in San Francisco. Strikes which cannot be settled on any terms, because of the refusal of the Communists to negotiate in good faith during the economic paralysis, gradually sink the entire Territory into a quagmire of acute depression. The losses from one strike hardly can be covered before another strike is at hand. This is the familiar pattern of Communist "softening up" by economic attrition before the big push for the final coup d'état. If the Territory of Hawaii can be prostrated by this system of slow economic bleeding, it must ultimately become a social bog ripe for the final wrecking blow of Communist seizure.

ALL COMMUNIST PARTIES ARE DIRECTED FROM MOSCOW

House Report No. 209, published by the Committee on Un-American Activities on April 1, 1947 (80th Cong., 1st sess.), states:

"It is the unanimous opinion of this committee that the Communist Party of the United States is in fact the agent of a foreign government. * * * We must recognize that in dealing with communism we are dealing with a world-wide revolutionary movement which is being directed by a foreign government. * * * It is the object of this report to establish from documentary sources the fact that from its inception in September 1919 to the present day the Communist movement of the United States may be properly characterized as * * * a section of the World Communist Party, controlled by the Communist Party of the Soviet Union, an organization whose basic aim, whether open or concealed, is the abolition of our present economic system and democratic form of government and the establishment of a Soviet dictatorship in its place."

William Z. Foster, one of the founders of the Communist Party in the United States of America, confirms his party's close ties with Moscow in his book Toward Soviet America (1932), in which he says (pp. 258, 259):

"The Communist Party of the United States * * * is the American section of the Communist International. * * * The Communist International is a disciplined world party. * * * Its leading party, by virtue of its great revolutionary experience, is the Russian Communist Party."

The official boast of the Kremlin is that the Communist International is the creature of the Communist Party of Russia. Karl Radek reported to the Ninth Communist Congress in Moscow on April 3, 1920:

"The Third International is the child of the Russian Communist Party. It was created here in the Kremlin, on the initiative of the Communist Party of Russia. The executive committee of the Third International is in our hands."

Benjamin Gitlow, also one of the founders of the Communist Party in the United States of America, testified before the House Un-American Activities Committee on September 8, 1939:

"The only party that has the right to instruct its delegates to the Communist International, and to make those instructions binding on the delegates, is the Russian Communist Party. * * * In other words, they have built the Communist International in such a way that Russia, under no circumstances, can lose control."

On another occasion, in 1949, Gitlow wrote:

"Individuals who join the Communist Party are required to take an oath of allegiance to the Soviet Union as the fatherland of the workers all over the world. They pledge themselves to give the whole of their lives in working for the overthrow of the United States Government and the triumph of Soviet power. What induces individuals, formerly loyal to America, to join a movement that is irreligious, criminal, and based on treason?" (CONGRESSIONAL RECORD, Appendix, p. A3589.)

Josef Stalin, in person, presented a detailed program for the Communist Party in America in a statement before the Presidium of the Communist International in Moscow May 14, 1929. This program from Stalin is found in documentary form in the records of the Committee on Un-American Activities, volume XI, pages 7112 to 7124. In it Stalin followed the basic teaching of Lenin: That Communist organizations should be so formed as to concentrate "all secret functions in the hands of as small a number of professional revolutionists as possible." This fundamental dogma of the Kremlin has been adhered to faithfully by the Communist Party in Hawaii, in which all executive power, and all policy decisions, are concentrated in the hands of fewer than six men. Harry Bridges, in California, directs these six men.

The first record of a formal report to Moscow on Communist activities in Hawaii is found in the Report of the Executive Committee of the Communist International, published in July 1928. A section of that report is headed: Anti-American Agitation in the Philippines and in Hawaii (H. Rept. No. 209, 80th Cong., 1st sess., p. 35). This House report establishes the fact that Communist activities in Hawaii have been reported directly to Moscow for at least 21 years.

The Communist International maintains a special agency to distribute Moscow decisions and orders to the 67 nation-wide Communist parties throughout the world. The annual report of the agitation and propaganda department reveals that during June 1945 Moscow supplied cable and wireless news daily to 29 Communist publications in the United States of America. One of these was the California Labor Herald, 150 Golden Gate Avenue, San Francisco (H. Rept. 209, p. 43). This publication is the official organ and mouthpiece of Harry Bridges and the ILWU. It gets its news prepaid and free from Moscow.

COMMUNIST PARTY IN HAWAII IS AN ILLEGAL ORGANIZATION

It is an accepted fact that the Communist Party in Hawaii is an integral part of the Communist Party of the United States of America. As such it is committed to the overthrow of existing government by force and violence. The Federal courts have held in many cases[1] that the Communist Party

[1] *Kenmotsu* v. *Nagle* (44 F. 2d 953, 954–955 (C. C. A. 9)); certiorari denied (283 U. S. 832); *Saksagansky* v. *Weedin* (53 F. 2d 13, 16 (C. C. A. 9)); *Wolck* v. *Weedin* (58 F. 2d 928, 929 (C. C. A. 9)); *Sormunen* v. *Nagle* (59 F. 2d 398, 399 (C. C. A. 9)); *Branch* v. *Cahill* (88 F. 2d 545, 546 (C. C. A. 9)); *Berkman* v. *Tillinghast* (58 F. 2d 621, 622–623 (C. C. A. 1)); *In re Saderquist* (11 F. Supp. 525, 526–527 (D. Me.)); affirmed sub nom., *Sorquist* v. *Ward* (83 F. 2d 890 (C. C. A. 1)); *United States* v. *Curran* (11 F. 2d 683, 685 (C. C. A. 2)); certiorari denied sub nom., *Vojnovic* v. *Curran* (271 U. S. 683); *United States* v. *Smith* (2 F. 2d 90, 91 (W. D. N. Y.)); *Re Worozcyt et al.* (58 Can. Cr. Cas. 161 (Sup. Ct. Nova Scotia, 1932)). Of the three cases mentioned in the opinion of *Schneiderman* v. *United States* (320 U. S. 118, at 148, fn. 30), as holding to the contrary, one—*Colyer* v. *Skeffington* (265 Fed. 17 (D. Mass.))—was, as there noted, reversed on appeal (sub nom. *Skeffington* v. *Katzeff*, 277 Fed. 129 (C. C. A. 1)); and one—*Strecker* v. *Nessler* (95 F. 2d 976 (C. C. A. 5))—was affirmed by this Court, with modification, on other grounds, and without consideration of this point (307 U. S. 22). In the third, *Ex parte Fierstein* (41 F. 2d 53 (C. C. A. 9)), the only evidence adduced in support of the finding was the bare statement of the arresting detective that the party did so advocate.

Murdock v. *Clark* (53 F. 2d 155, 157 (C. C. A. 1)); *United States ex rel. Yokinen* v. *Commissioner* (57 F. 2d 707 (C. C. A. 2)); certiorari denied (287 U. S. 607)); *United States ex rel. Fernandas* v. *Commissioner of Immigration* (65 F. 2d 593 (C. C. A. 2)); *United States* v. *Perkins* (79 F. 2d 533 (C. C. A. 2)); *United States* v. *Reimer* (79 F. 2d 315, 316 (C. C. A. 2)); *United States ex rel. Fortmueller* v. *Commissioner of Immigration* 14 F. Supp. 484, 487 (S. D. N. Y.)); *Ungar* v. *Seaman* (4 F. 2d 80, 81 (C. C. A. 8)); *Ex parte Jurgans* (17 F. 2d 507, 511 (D. Minn.), affirmed 25 F. 2d 35 (C. C. A. 8)).

of the United States of America does in fact advocate the overthrow of government by force and violence. In the deportation proceedings against Harry Bridges, the Attorney General of the United States, on May 28, 1942, made the following findings of fact relative to the aims, purposes, and programs of the Communist Party of the United States of America:

"The the Communist Party of the United States of America, from the time of its inception in 1919 to the present time, is an organization that believes in, advises, advocates, and teaches the overthrow by force and violence of the Government of the United States."

Therefore, the Communist Party in Hawaii, and each and every member and affiliate thereof, is subject to prosecution under the Smith Act (Public Law 670, 76th Cong., ch. 439, 3d sess., approved June 28, 1940), which provides penalties up to 10 years imprisonment and fines up to $10,000 for persons who "knowingly or willfully advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence."

A vigorous enforcement of this statute, based on the true character of the Communist Party in Hawaii, should be instituted by the United States Department of Justice. To delay further in such vigorous enforcement of the laws against international communism will be to gamble with the security not only of Hawaii but of the entire United States.

No alert citizen can afford to be lulled by the fact that known Communist affiliates in Hawaii constitute only a very small proportion of the total population. The House Committee on Un-American Activities warned in its report of May 10, 1948:

"Modern society has become so intricate that it is conceivably possible for a comparatively small, closely knit and determined group, located in strategic and sensitive points and dedicated to the use of force and violence, to create serious confusion, to dislocate and perhaps even paralyze the machinery of our economic and social life."

In answer to those who contend there are only a few card-carrying Communists in Hawaii, it may be emphasized that only about 3 percent of the population of Russia are members of the Communist Party. In Russia fewer than 6,000,000 Communist Party members impose the Communist program upon a population of 180,000,000 people. More than 30,000,000 victims of communism are in Stalin's slave labor camps in Siberia. The Communist seizure of Poland was accomplished by a Communist Party which constituted less than 4 percent of the total population. In Yugoslavia, only 2.5 percent of the population are members of the Communist Party, yet they impose their program upon a population of 16,000,000. Czechoslovakia, Hungary, Bulgaria, and Rumania also have been taken over by communism since the end of World War II. In none of these countries did the active membership of the Communist Party make as much as 9 percent of the total population. Yet the Communists are in complete control of all of these nations. Communism never bothers itself with majority rule. It seeks merely to gain control of the instruments of public power, and then to subjugate the entire population to the Kremlin's master plan for revolution. In all the countries taken over by Communist internal aggression since the war, there has been not a single exception to this rule.

HAWAII A BASE OF COMMUNIST OPERATIONS

The Kremlin in Moscow, world headquarters of international revolutionary communism, regards Hawaii as one of its principal operating bases in the campaign for a Communist United States of America. Official Communist documents demonstrating this use of Hawaii as a base now are in the hands of the Department of Justice in Washington. On February 24, 1948, Lt. Gov. Arthur W. Coolidge, of Massachusetts, said in a public address before the American Veterans of World War II, at Quincy, Mass.:

"I charge that communism's key assault on the United States is starting in Hawaii. I accuse Moscow's secret agents of launching a new surprise attack on Pearl Harbor. If this attack is successful, it will be fully as harmful to our national security as was the sneak blow delivered by Japanese bombs."

Lieutenant Governor Coolidge based his charges on a set of secret instructions issued by the Communist Party to its agents in Hawaii. These documents outline a four-pronged Communist offensive in Hawaii, aimed simultaneously to undermine all religion, to penetrate and capture all labor unions, to discredit and undermine the free press, and to infiltrate all education.

These documents were seized in the Hawaiian Islands by Federal authorities. They have become the basis of a determined further investigation of Communist penetration in the islands.

COMMUNIST OBJECTIVES IN HAWAII

Statehood for Hawaii is a primary objective of Communist policy in the Territory. The ILWU and the Communist Party say frankly that they could control a clear majority of the delegates who would write the new State constitution.

It is my opinion that the immediate objectives of the ILWU-Communist Party conspirators in Hawaii are:

(1) Statehood, with a State constitution to be dictated by the tools of Moscow in Honolulu;

(2) Removal of Gov. Ingram M. Stainback, to be replaced by a Governor named by the Communist high command in Hawaii;

(3) A general strike to paralyze all business activities in the islands.

SUMMARY OF RECOMMENDATIONS

It is my firm conviction, following my visits to the islands and a long study of the ramifications of Communist penetration there, that the admission of the Territory of Hawaii to the Union at this time would not be in the best interests of either the Territory of Hawaii or the United States.

In summary, this report recommends:

(1) That statehood for Hawaii be deferred indefinitely until communism in the Territory may be brought under effective control.

(2) That the Territorial government of Hawaii be encouraged to take positive steps within the scope of its authority to suppress unlawful communistic activities.

(3) That the executive branch of the Federal Government, through the Department of Justice, take immediate steps to prosecute lawless communism in the Territory, and to protect from force and violence those who honestly seek to support and strengthen orderly constitutional government.

(4) That Congress take cognizance of the very serious economic problems which confront Hawaii as a result of the activities of the Communist-dominated ILWU and immediately enact remedial legislation.

An overwhelming majority of the people of the Territory desire to see Hawaiian communism put down.

Congress should give these good people every help and assistance within the power of the Federal Government.

Then the laudable aspiration for statehood soon again would become a practical vision for the Hawaiian Islands. But in the meantime, neither Congress nor the American people should risk a permanent league with communism within the structure of the Federal Union.

Respectfully submitted.

HUGH BUTLER,
United States Senator from Nebraska; Member, Committee on Interior and Insular Affairs.

WASHINGTON, *June 21, 1949.*

APPENDIX A

Hawaii

[Area, 6,454 square miles. Population, 540,500 (1948)]

Race	Citizens	Aliens	Percent
Hawaiian	10,650		2.0
Part Hawaiian	70,110		13.0
Puerto Rican	9,820		1.8
Caucasian	177,580	2,900	33.4
Chinese	28,180	2,350	5.6
Japanese	144,640	31,640	32.6
Korean	5,570	1,750	1.4
Filipino	18,350	35,260	9.9
All others	1,580	90	.3
Total	466,480	74,020	100.0

(Appendix to the CONGRESSIONAL RECORD, p. A1672.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 2129. A bill to amend section 3412 (c) (2) of the Internal Revenue Code, as amended (relating to tax on gasoline); to the Committee on Finance.

By Mr. IVES:

S. 2130. A bill for the relief of Fernando Simbola; to the Committee on the Judiciary.

By Mr. THYE:

S. 2131. A bill for the relief of Bernard Joseph Usiak; to the Committee on the Judiciary.

By Mr. GILLETTE:

S. 2132. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils, and rice and rice products; to the Committee on Banking and Currency.

By Mr. KNOWLAND (for himself and Mr. DOWNEY):

S. 2133. A bill to give effect to the convention between the United States of America and the Republic of Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington, May 31, 1949; to the Committee on Foreign Relations.

By Mr. McGRATH (by request):

S. 2134. A bill to provide for placing under the Classification Act of 1923 as amended, certain positions in the municipal government of the District of Columbia; and

S. 2135. A bill to obviate the necessity for residence in the District of Columbia and permit members of the Commission on Mental Health to reside in the metropolitan area; to the Committee on the District of Columbia.

INVESTIGATION OF TUNG OIL INDUSTRY

Mr. PEPPER. Mr. President, on behalf of the senior Senator from Alabama [Mr. HILL], the senior Senator from Louisiana [Mr. ELLENDER], the senior Senator from Mississippi [Mr. EASTLAND], the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from Mississippi [Mr. STENNIS], the junior Senator from Louisiana [Mr. LONG], and myself, I submit for appropriate reference a concurrent resolution providing for the appointment of a joint committee to investigate the tung oil industry of the United States, and I ask unanimous consent that an explanatory statement by me may be printed in the RECORD.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 49) was referred to the Committee on Agriculture and Forestry, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of two members of the Committee on Agriculture and Forestry of the Senate, two members of the Committee on Foreign Relations of the Senate, and two members of the Committee on Finance of the Senate, to be appointed by the President of the Senate, and two members of the Committee on Agriculture of the House of Representatives, two members of the Committee on Foreign Affairs of the House of Representatives, and two members of the Committee on Ways and Means of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. The joint committee shall select a chairman and a vice chairman from among its members.

SEC. 2. It shall be the duty of the joint committee (1) to make a full and complete study and investigation of the tung-oil industry of the United States, and (2) to report to the Senate and the House of Representatives not later than July 15, 1949, the results of its study and investigation, together with such recommendations as to necessary legislation as it may deem advisable.

SEC. 3. The joint committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Eighty-first Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

SEC. 4. The joint committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

SEC. 5. The expenses of the joint committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of the disbursements so made.

The statement presented by Mr. PEPPER is as follows:

STATEMENT BY SENATOR PEPPER

Mr. President, Senators HILL and SPARKMAN, of Alabama; Senators ELLENDER and LONG, of Louisiana; Senators EASTLAND and STENNIS, of Mississippi, and I am offering today in the Senate a concurrent resolution to establish a joint congressional committee, composed of two members of the Senate Agriculture Committee, two members of the Senate Foreign Relations Committee, two members of the Senate Finance Committee, and two members of the respective committees of the House of Representatives, to make a complete and full study and investigation of the tung-oil industry of the United States, and to report to the Senate and House of Representatives not later than July 15, 1949, the results of their study and investigation, together with their legislative recommendations.

Mr. President, the American tung-oil industry, one of our young agricultural industries, is facing a great crisis. Today, it is suffering from a very severe disadvantage from unfair competition with Chinese tung oil. There are a lot of other oils that have been developed which compete with it.

The tung-oil industry, which has grown to great proportions and assumed great importance in the South, is consumed in this country in the paint and varnish, linoleum and oil-cloth, and the printing industries. It served a very useful purpose for prosecution of the war. It was used for medical catheters for the armed forces. The oil was used in the making of time bombs and also for use in magnesium parts and other war purposes. In fact, it was so important in the prosecution of the war that the Federal Government placed it on the list of scarce strategic critical materials. Furthermore, since a great amount of our tung oil from China was cut off during the war, it was necessary to encourage our domestic industry. Our Government, therefore, had a price support of 25 cents a pound, and in the first 2 years after the war, in addition, it received other assistance from the Government.

As a result, our own tung-oil industry expanded and grew. Large capital investments were made in the planting of more and more tung groves and in equipment for tung-oil production. Last year tung oil was removed from the list of scarce strategic materials by the Joint Munitions Board. The Department of Agriculture dropped the price-support program for tung oil. In addition, other assistance has been eliminated.

We are told that, now that the war is over, it is possible to get a large amount of tung oil from sources outside the United States, principally from China, and that, although tung oil is a strategic material, it is no longer scarce or critical for military purposes; furthermore, the Government people have informed us that if they provide a support price for tung oil and raise the price too high, we would lose our domestic market to the other competitive oils. It would simply mean, for example, that Chinese producers would be given the benefit of a price-support program. We are also informed by Government people that our trade in China is very important to this country, and that we must buy from China if we expect them to buy from us, and that tung oil is one of the principal products of that country, and that since Chinese producers have a historic place in this field, they, therefore, should not be denied an outlet in the American market for their product.

Senator HOLLAND and I have already introduced in the Senate a bill to make it mandatory that the Government provide a price-support program based on 90 percent for tung oil. A subcommittee of the Senate Committee on Agriculture is holding hearings on this phase of the problem, but, as we can see, the problems of the tung-oil industry extend far beyond the provision of a price-support program. There are so many aspects to the problem that the sponsors of the concurrent resolution believe that a broad joint committee should go into this problem thoroughly and require it to report back to the Congress by the middle of July as to what can be done to help this important domestic industry. Unless some Federal aid is provided immediately, this industry will be strangled.

NATIONAL LABOR RELATIONS ACT—AMENDMENT

Mr. TYDINGS submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute for the committee amendment, proposed by Mr. THOMAS of Utah to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which was ordered to lie on the table and to be printed.

FREIGHT ABSORPTION—NEWS REPORT ON ADDRESS BY SENATOR O'MAHONEY

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an article entitled "Freight Cost Assimilation Held Urgent," published in the Chicago Journal of Commerce of June 23, 1949, commenting upon an address delivered by Senator O'MAHONEY before the Chicago Association of Commerce on June 22, 1949, which appears in the Appendix.]

COLUMBIA VALLEY ADMINISTRATION—STATEMENT BY HON. CHARLES W. HODDE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a statement by Hon. Charles W. Hodde, Speaker of the House of Representatives of the State of Washington, before the Senate Committee on Public Works on the Columbia Valley Administration bill, which appears in the Appendix.]

CAN AIR POWER ALONE WIN A WAR?—ARTICLE BY REAR ADM. D. V. GALLERY

[Mr. BALDWIN asked and obtained leave to have printed in the RECORD an article by Rear Adm. D. V. Gallery, U. S. Navy, published in the Saturday Evening Post for June 25, 1949, which appears in the Appendix.]

ACTION ON GENOCIDE—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an editorial entitled "Action on Genocide," published in the New York Herald Tribune of June 18, 1949, which appears in the Appendix.]

THE ATLANTIC FEDERATION—EDITORIAL COMMENT

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD two editorials on Atlantic federation, one from the Houston Post of March 28, 1949, and the other from the Anderson (Ind.) Herald of May 10, 1949, which appear in the Appendix.]

EDITORIAL COMMENT BY WASHINGTON STAR ON SPEECH BY HON. JAMES F. BYRNES

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an editorial entitled "Our Coming Struggle," published in the Washington Evening Star of June 23, 1949, which appear in the Appendix.]

PROCESS OF OBTAINING FRESH WATER FROM SEA WATER

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter addressed to him by John J. Beckman, of Portland, Oreg., on the subject of separating salt and other solids from sea water, a brief article entitled "The Sea Flash Process," and a statement by Mr. Beckman, which appear in the Appendix.]

GOVERNMENT ECONOMY—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement on the important subject of Government economy. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON GOVERNMENT ECONOMY

Mr. President, I have discussed previously on the floor the vital subject of Government economy in order to keep this Nation from

going on the financial rocks. I will not, therefore, presume at the present time to take the time of the Senate to discuss this matter in greater detail. I do, however, want to simply emphasize this point: Never before in my experience have the American people been more deeply interested in a balanced budget, in the prevention of deficit spending, in the elimination of unnecessary Government appropriations, and in related themes.

In times past, our people have not always been as vigilant as they are today to protect the financial solvency of our country.

Like my colleagues, I have received a tremendous number of communications from the grass-roots of my State on the above subjects. The themes common to these letters are the same, although these messages arise out of the spontaneous convictions of thinking American citizens. The themes are:

1. Congress must enact the Hoover Commission reports. (I have previously urged, as my colleagues will recall, as a matter of fact, that Congress stay in session until the Hoover suggestions are applied into public law.)

2. Congress must pass the bipartisan resolution for 5- to 10-percent reduction in Federal appropriations. (It is my privilege to serve as a cosponsor of Senate Joint Resolution 108 which we hope will save from two to four billion dollars in Federal money.)

3. Congress should pass the consolidated appropriation bill. (This, too, I have urged in order that our people can get a clear idea of just what Federal expenses are, rather than having to read a dozen financial bills to clean the state of Federal expenses.)

4. Congress must scrutinize each Federal appropriation to each agency in order to squeeze out the water, eliminate unnecessary functions, etc.

I have in my hand a resolution from the Milwaukee Century Club, and I ask that it be printed immediately following these remarks. Following it, in turn, I ask that there be printed excerpts from communications which I have received from Wisconsin citizens. These represent a cross section of Wisconsin thinking and Wisconsin groups, and I believe that they tell in a more striking way than I can or any of my colleagues can, the fundamental convictions of any of my colleagues can, the fundamental convictions of our American people on behalf of Government economy.

As a final note there is included an excerpt from the latest Wisconsin Chamber of Commerce Bulletin entitled "Forward," which discusses one important phase of Federal economy.

MILWAUKEE CENTURY CLUB,
June 13, 1949.

Hon. ALEXANDER WILEY,
House of Senate,
Washington, D. C.

DEAR SIR: The Milwaukee Century Club of the city of Milwaukee, county of Milwaukee, State of Wisconsin, being a social and civic organization with a standing membership of 100, at its last regular meeting passed a resolution favoring the Hoover Commission report.

With the anticipated deficit for this year amounting to approximately $3,000,000,000 and a possible deficit for the next fiscal year amounting to $6,000,000,000, it is very apparent that the Government practice whatever economies are possible without detriment to its programs proposed and adopted in the interests of the people. It appears that many suggestions in the report are salutary, and we therefore urge that full consideration be given to this report and the economies suggested therein, wherever practicable, be made effective.

STANLEY A. STUDER,
Secretary.

EXCERPTS FROM BADGER LETTERS

From Merrill:

"DEAR SENATOR WILEY: I was very pleased to note recently that you and Senator McCARTHY saw fit to vote for some economy in the "pork barrel" river and harbors appropriation matter, though unfortunately you were badly outnumbered.

"It seems that the public should become aware of the extravagances involved in that type of legislation and start to make their feelings known to their elected Representatives. Unless somewhere along the line we do arrive at a conscientious effort to halt wasteful expenditures and bring our fiscal affairs into proper focus, a crisis, if not a disaster, is definitely ahead."

From Manitowoc:

"Your negative vote on the river, harbor, and flood-control program of the United States Army engineers has been noted, and you are to be commended for your stand.

"It is unfortunate that the majority in this instance was more interested in the pork-barrel aspect rather than the intelligent businesslike analysis of the problem, but keep up the good work.

"Your every effort toward further economy in Government is, in my opinion, of utmost importance."

From Milwaukee:

"Businessmen, when confronted by reduced income, are forced to cut costs. To lower break-even points often means cutting valued employees off the pay rolls and curtailing expenses in many ways—unpleasant but necessary work.

"Why shouldn't the Government do the same under similar conditions?

"I do not believe this is the time to raise taxes—neither do I think we should go in for deficit financing."

From Beloit:

"DEAR SENATOR WILEY: I am writing to ask you to use your influence to see that the necessary legislative steps are taken to enact into law the reorganization program outlined in the Hoover Commission report. I know you are anxious to promote efficiency and economy in our Federal Government to the end that the tax burden on all of us can be reduced. It is apparent to many of us back here in Beloit that the reorganization plan outlined by Mr. Hoover's committee is the most direct method of accomplishing this. I cannot urge too strongly that the reorganization program be enacted and that it be enacted without excepting any Federal agency.

"I would also appreciate your close consideration of two economy measures:

"1. The bipartisan retrenchment proposal by which total appropriations this year would be reduced from $2,000,000,000 to $3,000,000,000.

"2. The Senate resolution introduced by Senator BYRD and cosponsored by several other Senators providing for the consolidation of all appropriation bills into one bill to be considered by Congress at one time.

"It would appear to me that both of these proposals are worthy of enactment into law."

From Milwaukee:

"We would urge upon you that, before consideration of any spending program, the budget be balanced, provision be made for some debt retirement, and a tax load which can be carried by individuals and by industry without destroying the incentive system.

"We further urge quick congressional action on all the recommendations of the Hoover Commission which would result in substantial operating economies. It is our feeling that holding expenditures below expected revenues would be a favorable factor and would do more to overcome the recession which we have been experiencing for the last 6 months, than any spending program or any other action that Congress might take.

"Unsound spending and an excessive tax load will positively increase the recession and, if this is continued, we will have a depression which may be the most serious in our history."

From Racine:

"I am sure you concur in the necessity for the sharp reduction of Government spending, with a corresponding reduction in corporate taxes if venture capital is to be brought back into the market to provide for the expansion or modernization of our industries. The Administration's present course will most surely lead us into State ownership of production facilities, which is their apparent goal as evidenced by the economic expansion bill we understand is shortly to be introduced.

"The Hoover Commission report points the way."

From Kenosha:

"Through the various papers which I read, my attention has been called to the fact that various pressure groups are demanding more New Deal legislation and larger appropriations.

"I want you to know that I am not in favor of any increase in Government spending and believe that the sooner Congress gives more sincere thought to the Hoover Commission and the cutting of Government expenditures, the better it will be for this country. If the Government was a private business corporation such as I am operating and continued to spend as it is now spending in Washington, it would have been bankrupt long ago.

"Whether the President thinks so or not, we are in a recession, and I do not agree with his ideas of more bureaucracy and more spending."

From Wausau:

"The only purpose of this letter is to commend you for what you have done in the past along this line and to strengthen your hand in supporting all future economy measures. It seems that we must definitely stop some of this extravagant spending, or our Government finances will be in an extremely dangerous condition. I am certain that there is nearly universal support for such a move, although its supporters are probably not as audible as the exponents of spending."

From Wausau:

"I attended a sizable meeting in Wausau today, and almost the entire discussion was with respect to a reduction in appropriations so that the budget for the coming fiscal year may be balanced without increased taxation. I know you have been working toward this goal, and the people in Wisconsin are going to appreciate your efforts. Keep up the good work."

EXCERPT FROM WISCONSIN CHAMBER OF COMMERCE BULLETIN

IS NATIONAL-DEFENSE AND FOREIGN-AID SPENDING UNTOUCHABLE?

Congressional efforts to hold down the costs of national defense are hampered by the tendency of the general public to regard this category of spending as a "sacred cow," especially during the present days of "cold war." Perhaps this attitude is a carry-over from the recent war, but in any event the admirals and generals, quite naturally, do nothing to correct it; on the contrary, they use it to good advantage to bulwark their requests for even higher appropriations.

Much of Wisconsin's tax problem is due to the heavy burden of taxes imposed by Uncle Sam. Last year Federal taxes collected in Wisconsin were more than double the total of State and local taxes combined. If present Federal spending plans go through, next year it will cost Wisconsin taxpayers $430,000,000 as their share of the national-defense and foreign-aid programs. This is $70,000,000 more than they paid last year in taxes for all State and local government purposes, including highways, schools, and public-welfare costs.

Wisconsin taxpayers' share of the national-defense program is, roughly, $327,000,000; the Wisconsin share of foreign-aid costs is about $103,000,000. The foreign-aid program contains amounts required for the European recovery program, government and relief in occupied areas, and amounts for Greek-Turkish aid. It does not include anything for the proposed Atlantic Pact program. Wisconsin's share of the cost of Federal spending is about 2.06 percent of the total, based on its proportion of income paid out, population, and Federal income and pay-roll-tax collections.

A county-by-county break-down of the $430,000,000 total reveals wide variations between counties, but for the State as a whole Wisconsin's share of 1950 military and foreign-aid programs amounts to more than twice the total of taxes levied in 1948 on general-property taxpayers.

SOME REASONS WHY TAXES ARE SO HIGH

Military demands run high not only because of the strategic needs of the military, but also because of fantastic wastes in military spending. Many instances have been revealed by the Hoover Commission Task Force studying military expenditures. A few may be cited:

Of 86,000 tanks produced in the United States during the war, 25,045 were on hand at the end of the war, according to Army statistics, but the Army could account for only 17,875.

The Government sought funds to build 910 family houses in Alaska for Air Force personnel at a cost of $58,350 each, 828 houses in Guam at a cost of $48,000 apiece, and 7,880 in the United States at $18,600 each.

One manufacturer furnished a replacement part to the Navy at $63 each, but the same item under a different Navy identification number could have been procured from the prime manufacturer at $9.06 each.

Real headway against unduly large national defense and foreign expenditures can be made as soon as Congress feels that a more critical approach on its part to such expenditures will have public support.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. PEPPER. Mr. President, I ask unanimous consent that the Subcommittee on Veterans' Affairs of the Senate Committee on Labor and Public Welfare, before which two more witnesses are to be heard, be permitted to continue its hearing this afternoon.

The VICE PRESIDENT. Without objection, it is so ordered.

On request of Mr. THOMAS of Utah, a subcommittee of the Committee on Banking and Currency was granted permission to meet during the session of the Senate today.

PROMOTIONS IN THE ARMED SERVICES

Mr. TYDINGS. Mr. President, from the Committee on Armed Services I report numerous routine nominations for promotion in the Navy. These nominations for promotions come from the Committee on Armed Services unanimously. No objection has been filed to any of them.

I also report from the Committee on Armed Services the nomination of Maj. Gen. Harold Roe Bull, United States Army, for appointment as Commandant, National War College, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

The VICE PRESIDENT. Without objection, the nominations will be received.

Mr. TYDINGS. Mr. President, I now ask unanimous consent, as in executive session, that all these nominations be confirmed, and that the President be notified.

The VICE PRESIDENT. Is there objection? The Chair hears none; and, without objection, the nominations are confirmed, and the President will be notified.

THE CURRENT STATUS OF THE DISPLACED PERSONS LEGISLATION

Mr. IVES. Mr. President, I rise to call to the attention of the Senate the deplorable lack of action in the Senate with respect to displaced-persons legislation during this session.

Since January 10, 1949, 14 bills have been introduced in the Senate, designed to correct serious deficiencies in the Displaced Persons Act of 1948. All of them are before the Judiciary Committee. In addition, H. R. 4567, which passed the House on June 2, 1949, is also pending before that committee. Three of these bills, S. 98, S. 99, and S. 100, of which I am a cosponsor, as well as the House bill, if enacted, would liberalize the 1948 act and enable the United States to take at least a step toward assuming its full share of world refugee and displaced-persons responsibilities.

On June 8, 1949, the Committee on Expenditures in the Executive Departments submitted to the Senate a report on the International Refugee Organization, prepared by the Subcommittee on Relations With International Organizations, headed by the able junior Senator from Maryland [Mr. O'CONOR]. As a member of that subcommittee and as its former chairman, I take the liberty of urging Members of the Senate to give careful consideration to this report—Senate Report No. 476. In it is to be found the incontrovertible evidence of the failure on the part of our Government to assume its full measure of responsibility with respect to displaced persons and refugees. In it is also disclosed the fact that between 1945, when World War II came to an end, and May 1949, the United States has accepted only 72,500 persons for permanent immigration. Of those persons, 44,000 were admitted by Executive authority, pursuant to existing law prior to the enactment of the Displaced Persons Act of 1948; only 28,500 persons have been admitted under the act itself as of May 1, 1949.

Aside from the humanitarian aspects of the proposed amendments, this report points out that liberalizing existing legislation might well result in effecting a considerable saving of the taxpayers' money.

By June 30, 1949, the United States will have spent approximately $141,800,000 in connection with its participation in the International Refugee Organization, the international organization charged with the care, maintenance, and resettlement of displaced persons and refugees. By June 30, 1950, when the IRO is supposed to have completed its mission, this Government will have spent an estimated total of $212,230,000 in this connection.

There are still approximately 700,000 displaced persons and refugees to be resettled. Of this number, 360,900, or more than half, are in the United States zone of Germany. Direct care by the United States Government in 1947, prior to the operations of the International Refugee Organization, cost the United States $130,000,000.

All the evidence points to the fact that the International Refugee Organization will not be able to complete its task by June 30, 1950, and this Government will again be called upon to contribute a substantial amount of money.

Action is called for and action is necessary. Unless we take the lead in liberalizing our displaced-persons legislation, American taxpayers may be faced with a steady drain of approximately $70,000,000 a year.

The enactment of workable and reasonable legislation at this time should not only effect a substantial saving, but should go a long way toward solving a serious and perplexing world problem. Action is sorely needed now.

Mr. FERGUSON. Mr. President, I wish to associate myself most emphatically with the statement which has just been made by the distinguished junior Senator from New York. I regret exceedingly that the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from New Jersey [Mr. SMITH] are unable to be present so that they might personally join in supporting the statement the Senator from New York has just made. I notice on the floor the able Senator from Oregon [Mr. MORSE], and I hope he will have something to say on this problem.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MORSE. I simply wish to say that I completely associate myself with the remarks made by the Senator from New York and the remarks about to be made by the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. I thank the Senator, because I knew he was greatly interested in this problem. That is why I pointed out that he is on the floor.

Mr. President, I am authorized to say that I am speaking now for the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from New Jersey [Mr. SMITH]. In fact, the Senator from New Jersey has prepared a statement on this subject, and I now ask unanimous consent to have it printed in the body of the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(The statement prepared by Mr. SMITH of New Jersey appears in the RECORD at the conclusion of Mr. FERGUSON's remarks.)

Mr. FERGUSON. The Senator from Massachusetts was prepared to speak on this subject, before he was called away. However, he is necessarily absent, and is unable to speak at this time.

It may be recalled that approximately 2 years ago, when I introduced the first displaced persons legislation in the Senate, I remarked upon the financial burden the United States is carrying so long as the displaced persons problem remains unsettled. Therefore, I find most per-

suasive the observations of the Senator from New York regarding the steady drain upon American taxpayers, which continues today. However, the material argument of expense is only one aspect of the question.

The simple fact is that the United States has not as yet assumed its full responsibility with regard to final disposition of this great human problem. The Displaced Persons Act of 1948 has proved to be only a gesture, because of its unworkable features of administration, which a number of us pointed out and sought to remedy by amendments when the bill was before the Senate last year. As a member of the conference committee, I declined to sign the conference report because at that time I believed that a better bill should have been passed by the Congress.

The Senator from New York [Mr. IVES] has stated that "action is sorely needed now." In that statement I most wholeheartedly concur.

It may be recalled that more than 10 weeks ago a group of five Senators, composed of the Senator from New York [Mr. IVES], the Senator from Oregon [Mr. MORSE], the Senator from New Jersey [Mr. SMITH], the Senator from Massachusetts [Mr. SALTONSTALL], and myself, who have supported certain corrective amendments to the existing act, addressed the chairman of the Senate Judiciary Committee, urging early action on this matter. In our letter we said:

> We are very anxious that hearings may be set down and a report made, so that the matter may be brought before the Senate for action.

Mr. President, at this time I reiterate and emphasize that desire and the need for immediate action.

I can say for the group of five Senators I have mentioned that we have no particular pride of authorship in our proposed amendments. As a matter of fact, I believe that, in the light of experience under the act, at least one of the amendments should be revised so as to make possible even greater improvement in the administration of the act. But, of course, that is the way of all legislation: As imperfections or defects develop, amendments can be made or repeal can be had, as the facts may indicate should be done. The point is that there is available for study a comprehensive body of proposed legislation, including a bill already passed by the House, and there is also available for analysis a year's experience under the act, which proves its shortcomings. In justice, fairness, and self-interest, I believe it is imperative that the Senate proceed to immediate hearings and action on this most important matter.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TAFT. I also should like to associate myself with the Senators who insist that some action be taken at this session on the displaced persons bill. I suggest to the Senator that it seems to me that in view of the position of the Democratic Party, as well as the position of the Republican Party, if the Judiciary Committee does not report this bill within a reasonable time, the duty should lie on the majority leader himself to move to discharge the committee from the further consideration of the bill. I wonder whether we can have some assurance that if reasonable action is not taken, that will be done. Under his leadership the committee probably would be discharged from the further consideration of the bill. Without his leadership and approval that would be very difficult to do.

Mr. FERGUSON. Mr. President, I concur in that statement, because I think when the matter has been before the committee and many facts concerning the situation are available, all we need now is the inclination to do this job. As a member of the Judiciary Committee, I would say now that I would be compelled in good faith to vote in favor of the adoption of a motion to discharge the committee.

I see the able junior Senator from Rhode Island [Mr. MCGRATH] on the floor. I have discussed this matter many times with him. I know how sincerely he personally feels about it. He keenly realizes as do I and the four other Senators I have mentioned, and for whom I have been speaking, and as does the Senator from Oregon [Mr. MORSE], who has spoken for himself regarding this subject, that action is needed.

Mr. THYE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. FERGUSON. I yield.

Mr. THYE. Mr. President, I, too, desire to associate myself with every thought and attitude expressed on the Senate floor today on the question of displaced persons.

Mr. LUCAS. Mr. President, will the Senator from Michigan yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. FERGUSON. I yield.

Mr. LUCAS. Mr. President, in view of the fact that the able Senator from Ohio [Mr. TAFT] made a suggestion as to what the majority leader should do, I think it only fair that I make a brief reply, in the time of the Senator from Michigan, if I may be permitted to do so.

The VICE PRESIDENT. Without objection, the Senator will be permitted to do so.

Mr. LUCAS. Let me say, Mr. President, that no Member of the Senate is more interested in seeing that there comes from the Judiciary Committee a liberal bill removing the restrictions and discriminations that exist in the present law than is the Senator from Illinois. I think I can safely say that the majority of the Members on the Democratic side of the Senate are disposed to go along with the kind of bill which was recently reported by a committee of the House of Representatives, and, if I am not mistaken, which has been passed by the House.

Mr. FERGUSON. That is correct. The bill is now in the Senate.

Mr. LUCAS. I can assure the able Senator from Ohio and other Senators who are vitally interested in the subject that it is a question which should be approached on a nonpartisan basis. I can assure them that we shall have some action upon the displaced persons bill, in one way or other, before the session ends.

Mr. FERGUSON. Mr. President, the statement just made by the distinguished majority leader is good news. I think the displaced persons, including those who have recently been compelled to leave Czechoslovakia by reason of the lowering of the Red curtain, will regard it as welcome news that we now have the assurance of the leadership of the Senate that action on this most important legislation will be taken at this session. All we can expect is action, and the information that we are to get some kind of action on the bill is refreshing.

Mr. MCGRATH. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. FERGUSON. I yield.

Mr. MCGRATH. Mr. President, I wholly concur with the sentiments which have been expressed with respect to the desirability of action on displaced persons legislation. The Senator from Michigan has been most helpful not alone in this session, but he was also courageously helpful, I may say, during the Eightieth Congress when we were attempting to write what we then regarded as a proper, liberal displaced persons law. He has been cooperative during the present session in an effort to get action on the bills now pending before the Judiciary Committee. I assure him that I shall cooperate in every possible way to try to perfect a bill in committee.

I believe, Mr. President, we are making progress along that line. We have had some hearings. We are going to proceed with further hearings. We all hesitate of course to try to override the will of a committee, and I do not think we ought to do that. Both parties should try to work together harmoniously on this legislation, because both parties are committed to it. I may say, Mr. President, that I do not regard any promise made by the Democratic Party in the last campaign as more binding or more sacred than the promise it made to liberalize the displaced persons law. I believe that Senators on the other side of the aisle feel exactly the same way, so far as their party is concerned. So let us go on and work together, to see if we cannot perfect the bill in committee and bring it out for free and open discussion on the floor of the Senate.

Mr. FERGUSON. Mr. President, I appreciate the statement of the able Senator from Rhode Island, who is on the subcommittee and knows what is going on in that committee.

I see the able chairman of the subcommittee, the senior Senator from Nevada, on the floor. I know that we will get action on the bill, for we have now the assurance that when it reaches the floor and is placed on the calendar, it will be one of the measures to be pressed by the majority. The news that some action will be taken will be refreshing to those who are in the DP camps. They need encouragement. For years and years,

while we have been considering these bills, they have been in displaced persons camps. I hope the news reaches them that action may be expected soon on this important legislation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. FERGUSON. I yield.

Mr. HUMPHREY. Mr. President, I wish to take this opportunity of associating myself with the remarks of the distinguished junior Senator from New York, the distinguished Senator from Michigan, and the other Senators who have spoken on the subject of displaced persons legislation. It was my privilege to serve as a member of the subcommittee dealing with the subject of the International Refugee Organization.

I think the Senator from New York made a very pertinent observation this morning when he brought to our attention Senate Report No. 476. We have had the privilege of listening to the testimony of a number of the officers of the International Refugee Organization, and that testimony is replete with facts as to the need of liberalizing the displaced persons legislation.

There are two facts which need really to be established. One is, as was pointed out by the Senator from New York, that we have had very limited immigration under the act, only 28,500; second, that the International Refugee Organization is costing our Government a sizable sum of money. As I recall the total sum of money expended up to date is approximately $142,000,000, and it will cost, by 1950, in excess of $200,000,000.

I commend the Senator from Michigan, the Senator from New York, the Senator from Rhode Island, and the other Senators who have been working on this question. I may say that the people in my State of Minnesota, the Governor, the church organizations, and the municipal organizations have called upon their representatives in the Congress to do everything humanly possible to get this legislation passed. As the Senator from Rhode Island said, this is something that goes far beyond the pale of politics. It is the most sacred obligation possible of both political parties, in view of the critical international situation and the suffering of millions and millions of people.

Mr. FERGUSON. I appreciate the remarks of the Senator from Minnesota.

Mr. McCARRAN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Nevada?

Mr. FERGUSON. I yield.

Mr. McCARRAN. Mr. President, I am wondering how many of those who discuss this subject really know the subject. It has been sugar-coated with so much fraud and misrepresentation that sometimes I think that many who discuss the subject have no true idea or conception of it. I wonder how many know the millions of people who are in the United States now illegally and fraudulently. I wonder how many know that since we set up the displaced-persons organizations such persons have been coming into the country in recent months at the rate of about 16,000 a month. I wonder how many know that with all those who have been taken out of the camps there are today more persons in the camps than there were when we first set up the organization, more than there were when we first started to take them out. I wonder how many know that they are coming into the camps by hundreds of thousands, people who have no more right to the claim of being displaced persons than they have the right to a claim of nationality at the North Pole. I wonder how many know that there was expended in the last year, in trying to get this program going, on a different basis, $800,000. I wonder how many know that there never was a more workable law than the one now in existence, and that that has been testified to by the Displaced Persons Commission. I wonder how many of those who discuss the subject know the number of persons in the camps now, and how many there were when we started the program.

Mr. President, persons are coming into those camps as fast as they can, not because they are displaced persons, but because they want to get to America by some means other than the legitimate immigration means which this country has established for its own protection.

Little by little the story will be unfolded to the Senate, and now is not the time for the Senate to "fly off," when the committee has been for months making a study. Eighteen bills on this subject are pending before the committee, including one which has passed the House, which, if it were to become law, would bring into this country not only those who are in camps or who have been in camps, but those who have been taken from camps by other countries and have gone to England, for instance. Those who have been taken to England would be eligible to come into our country.

The human side of the question is appealing. It appeals to all of us. We have done everything in our power, under our system of law, to take care of these displaced persons. As we take them out of the camps, the camps fill up again, and they will continue to fill up. There are four or five million displaced persons in the world, and they continue to fill up the camps as displaced persons already there are taken out of the camps. The testimony shows that they are coming in at the rate of approximately 16,000 a month. Within 19 months we shall do what the Congress said should be done in 24 months, namely, we shall bring in 205,000 persons.

I wonder how many people know these facts. Yet, it is intimated that the question should be taken from a committee of the Senate which has been making a study of it and whose staff is making a study of it.

Mr. President, I again say that there is more humbug involved in this question than there has been in any question which has ever been presented to the Senate. The figures which I have in my office show that $813,000 has been expended in lobbying in connection with the matter. It is not necessary to lobby through a measure which is just, when, as a matter of fact, Congress has enacted a law which is now working satisfactorily.

Mr. FERGUSON. Mr. President, from the argument of the Senator from Nevada, it seems that he feels very keenly about this particular matter. I also feel keenly about it. I feel that there is a problem of immigration to be studied. There is a question of unlawful entry into this country which should be gone into very carefully. There is also a question as to the men and women who are here, and a question of why the countries from which they came will not accept them. These are very grave questions. Those persons are allowed in this country to be free citizens, even though they should be later returned to their native countries.

The Senator from Michigan last year and this year spent a great deal of time on the problem. He feels that he knows something about the questions involved. He has personal knowledge of how the act is working, though he is not a member of the subcommittee. I am not criticizing the subcommittee. I am merely asking for action. I think the fact that we have had this debate has done some good, because, as the Senator from Nevada has said, there are many facts which the people do not know. I think they should know immediately all the facts concerning the displaced persons. If there are thousands of persons coming into the camps, we should receive reports from the International Refugee Organization. I believe this debate will do a great deal of good in the way of making known the facts. Senators who feel that the bill should not pass, should be given an opportunity to vote, and those who feel that it should pass should have the same opportunity.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARRAN. I do not know whether the Senator from Michigan takes the position that the Committee on the Judiciary is not going into the matter. Is that the statement that was made?

Mr. FERGUSON. No. The Senator from Michigan did not say that the Judiciary Committee was not acting.

Mr. McCARRAN. I wish to say to the Senator from Michigan that an intensive study has been conducted in which some of the best members of the staff of the Committee on the Judiciary have been continuously engaged. Although trainloads of persons from far and near have not been brought in to crowd these halls by way of a hearing, we have gone into the subject systematically, scientifically, and factually, and we have been going forward. Whether our action is called hearings or whatever it may be called, there have been analyses of the 18 bills on the subject. That is one phase of the study. There has been an analysis of the whole system, from the time the law was passed until the present moment, and an analysis of the conditions around any camps which are called displaced-persons camps but which have no right to be so called.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Maine.

Mr. BREWSTER. I should like to inquire of the Senator from Michigan as to how many refugees are contemplated under the House bill and under the Senate bill now under discussion.

Mr. FERGUSON. Under the House bill the number is 400,000. Under the Senate bill the number varies from 400,000 down to 200,000.

Mr. BREWSTER. Over a period of years?

Mr. FERGUSON. That is correct.

Mr. BREWSTER. What is the situation as to the contributions of other nations to the International Refugee Organization? Has the Senator any facts relating to that matter?

Mr. FERGUSON. Yes; but I do not have figures on it at the present time. They have taken a great number of displaced persons, and they are contributing. Of course, Russia is not contributing to the organization, but other countries are contributing to the fund. The International Refugee Organization is trying to do the job, but it lacks the necessary funds. It is trying to support the displaced-persons camps. Their representatives are not only going into the camps, but into other countries. They have to deal with Czechoslovakia since we passed the last act. I have great sympathy with those persons who desire and love freedom and who have been forced to leave Czechoslovakia and wander over other countries in Europe.

Mr. BREWSTER. Under the circumstances which the Senator from Michigan presents as to conditions in Czechoslovakia, how does it happen that there is on the Senate Calendar today the nomination of Ellis O. Briggs, to be Ambassador to Czechoslovakia, under the theory that we do not recognize countries which deny ordinary human rights?

Mr. FERGUSON. I can answer the Senator only by saying that the sending of representatives to various countries is in the hands of the President of the United States. He conducts the foreign policy of the Nation and determines what country shall be recognized and what country shall not be recognized.

Mr. BREWSTER. The Senate certainly has the responsibility of confirming or refusing to confirm the nominations of representatives to foreign nations. Mr. Ellis O. Briggs happens to come from the State of Maine, and I have no disparagement of his qualities; but Secretary Acheson stated not long ago, in connection with a complaint that an ambassador was not sent, that it did not mean anything to have an ambassador. If it does not mean anything, and if Czechoslovakia is violating human rights, compelling the emigration of thousands of persons from that land, why does the President name a new ambassador to Czechoslovakia at this particular moment, when it would seem to give Czechoslovakia full standing and recognition by the Government of the United States?

Mr. FERGUSON. I am unable to answer the question of the Senator, because, as I have said, the naming of ambassadors and the recognition of countries is solely within the province of the President of the United States. I still feel very keenly that, men who sought liberty and freedom, and even the preservation of their lives as political prisoners, were justified in leaving Czechoslovakia, and wandering, let us say, the highways and byways of Europe, trying to find homes to which they might go, until such time as Czechoslovakia lifts the iron curtain, and the freedoms the Senator and I love and cherish are brought back to that country.

Mr. President, I look at this whole question as one having to do with the maintenance of peace. We are talking about peace and peace treaties, but we cannot make peace until we settle the displaced persons question. If we do try to make it, that question will flare up, and may thwart us in our endeavor.

Therefore, Mr. President, to me it is a question concerned with the settlement of peace in the world, as I think the question of Czechoslovakia being taken over by Russia as a satellite is a question relating to international peace, in the end.

Mr. BREWSTER. What about Hungary? Is not that in a very similar situation, as we read the account of what happened to Cardinal Mindszenty and the various Methodist bishops? We have on the executive calendar now the nomination of a minister to Hungary. The minister we had in Hungary was practically compelled to leave the country because of his attitude in behalf of human rights, of American liberties. Because he dared to challenge the action and the activities of the Hungarian Government in regard to these religious leaders, he was requested to leave, and he was obliged to come home. Now we name another man, because the minister we had there was not acceptable, since he dared to stand up for human rights. So another gentleman is named, and presumably he will know better than to say one single word in derogation of a government which is defying all sense of religious liberty, and in addition is compelling more and more of the people of that country to become refugees, and therefore to descend upon the bounty and the Christian charity of the people of the world, and particularly those of America. Is there any sense in our sending a minister to a government such as that?

Mr. FERGUSON. Mr. President, the Senator merely raises questions and facts which present to the American public and to the world the confusion in the thought of our foreign policy. The Senator mentions Hungary, and what has happened in Hungary. Our minister was recalled because the Hungarian Government contended he was giving aid and comfort to those seeking liberty. Many of them were American citizens. But now, as the Senator says, we will send back another minister. That is what confuses the people. They wonder what we are doing to accomplish peace, what we are doing against communism, and what we are doing in the world against totalitarianism, under which the rights of people are denied.

Mr. President, I did not expect the debate would go so far afield as it has gone, but this all has relation to the general issue.

Mr. LANGER. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from North Dakota.

Mr. LANGER. In connection with the displaced persons question, I wonder if the distinguished Senator knows that investigation shows that a great many of these folks are coming into this country by fraud.

Mr. FERGUSON. I have not any evidence that any displaced person who has come in under the act has come through fraud. There are people who are not coming in under the act, with respect to whom I have facts, who are coming by fraud. Foreign agents are coming into this country, and I consider that all of them are coming fraudulently, because they are denying they are Communists. But I have no knowledge of any displaced person who has come in under the act has come in through fraud.

Mr. LANGER. Will the Senator yield for a further question?

Mr. FERGUSON. I yield.

Mr. LANGER. Is the Senator familiar with an article which appeared last Sunday in the New York newspapers showing that a great many of these people coming to the United States pretend to be farmers, and state they are farmers, but when they get here the farmers who have sponsored them find they know nothing about farming? Does the Senator know, further, that a great many women say they want to come here as domestics, that they worked as domestics in other countries, but when they get here they absolutely refuse to work as domestics, and say they are librarians, and worked in libraries, or something of that character? A great many complaints have come to my office, and I have referred them to the subcommittee dealing with this subject.

Mr. FERGUSON. The Senator is speaking of displaced persons?

Mr. LANGER. Yes.

Mr. FERGUSON. I did not have that particular knowledge. But if the record indicates that the administration is not proper, that does not go to the question of our having a proper displaced-persons act, and does not go to the question of settling the peace of the world. Naturally I am just as strongly in favor as anyone can be of keeping out persons who would attempt to come in by fraud, or attempt to deceive the immigration officials. I want proper administration, I think proper administration can be had, and I think we can get a bill providing for proper administration.

Mr. LANGER. Does not the Senator believe that it takes time on the part of the subcommittee to prepare properly the legislation, so that if folks do come in under false pretenses, they can be either sent back, or proper steps be taken in the premises?

Mr. FERGUSON. I say it does take time, and if anybody has entered this country, under the Displaced Persons Act, by fraud, by deception, in violation of the act, or in violation of the principles of the Government of the United States, and if he does not stand for the ideals of liberty, I would be the first to agree that he should be deported. But I do not think that is the question we

have before us now. The question is as to getting action on a bill. Congress has already been in session nearly 6 months. Certainly it takes time, but it is a question of how much time.

Mr. LANGER. Will the Senator yield for one more question?

Mr. FERGUSON. I yield.

Mr. LANGER. Is the Senator familiar with the fact that several thousand displaced persons went to England pretending to be miners, and that within a few weeks after they arrived in England, England shipped them all back to the country whence they came?

Mr. FERGUSON. I am familiar with that. I am also familiar with the fact that in Belgium displaced persons were taken into the mines, and that even now they are asking that they go back to the camps. Of course, the Senator from Michigan is not familiar with the conditions under which they were compelled to work in Belgium, but something was wrong somewhere, because they are now going back, and, we may say, deserting the mines of Belgium.

Many problems are involved; but the Senate should strive to solve these very complicated questions of human relationship.

Mr. LANGER. The Senator realizes that the subcommittee is doing the best it possibly can, in view of the additional questions which have arisen, with several thousand persons coming in. We know the circumstances under which they come in, the false pretenses in some cases, and the legislation necessary to safeguard the interests of our country against that kind of people.

Mr. FERGUSON. I know how greatly the Senator is interested in this problem. I merely plead with him today for just a little more speed.

Mr. NEELY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. NEELY. Let me inquire of the able Senator from Michigan, who has rendered outstanding service in favor of the enactment of a humanitarian displaced persons law, whether he thinks that the displaced, innocent, sufferers, have become disentitled to the sympathy of the American people, or to the favorable action of the Congress, by reason of frauds which others have perpetrated in attempting to evade our immigration laws?

Mr. FERGUSON. I am not a believer in common responsibility. I have never felt that one person should be held responsible for the acts or the conduct of another. Therefore the innocent certainly should not suffer because some person has done wrong. I think we have to be able to distinguish, and because we have one bad apple in the barrel is no reason why we should not try to save all the rest of the apples, and cast out the bad.

Mr. NEELY. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. NEELY. Does not the Senator from Michigan think that the diligent efforts in this matter made by him, the Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. SALTONSTALL], the eminent Vice President, who was then a Senator from Kentucky, the senior Senator from Illinois [Mr. LUCAS], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from Florida [Mr. PEPPER] should be continued in this Congress jointly by Republicans and Democrats of good will?

Mr. FERGUSON. Mr. President, this is not and should not be a partisan matter.

Mr. NEELY. Does the Senator agree with me that the approach to this question should be nonpartisan, and that the matter should be vigorously and promptly pushed to a favorable conclusion?

Mr. FERGUSON. I agree with the Senator from West Virginia.

Mr. NEELY. Does the Senator from Michigan favor the performance of the following platform promise:

> We pledge ourselves to legislation to admit a minimum of 400,000 displaced persons found eligible for United States citizenship without discrimination as to race or religion. We condemn the undemocratic action of the Republican Eightieth Congress in passing an inadequate and bigoted bill for this purpose, which law imposes un-American restrictions based on race and religion upon such admissions?

And if the Senator does not approve the latter part of that language, does he not think that regardless of who is responsible for the present inadequate law, it should be properly liberalized by this Congress?

Mr. FERGUSON. The Senator from Michigan is on his feet now endeavoring to right what he considers to be a wrong. I notice the Senator from West Virginia read from the Democratic platform. I hope the junior Senator from West Virginia, and the senior Senator from Illinois, the able and distinguished majority leader, who has just spoken on the subject, will try to carry out the principles of the Democratic platform and endeavor to have a proper displaced-persons act passed by Congress.

Mr. NEELY. The Senator from Michigan may depend upon the junior Senator from West Virginia to do everything in his power in behalf of that most desirable consummation. Let me add that the distinguished Senator from Rhode Island [Mr. MCGRATH], who is the able chairman of the Democratic National Committee, has assured me of the vigorous continuation of his untiring efforts in this matter.

Mr. FERGUSON. Mr. President, I yield the floor.

(On request of Mr. FERGUSON, the following statement was ordered to be printed in the RECORD at the conclusion of his remarks:)

STATEMENT ON DISPLACED PERSONS PROGRAM BY UNITED STATES SENATOR H. ALEXANDER SMITH, OF NEW JERSEY, JUNE 23, 1949

Mr. President, through the kindness of my distinguished friend, the Senator from Michigan, I am taking this opportunity to reassert and reemphasize to the Senate my feeling of vital urgency in the matter of the displaced-persons program.

A great deal is being said nowadays in the Senate, on both sides of the aisle, about economy in Government. I heartily agree that Government spending must be reduced, and I take this moment to remind the Senate once again that the displaced-persons problem, for which we have yet to agree on an adequate and speedy solution, is costing this Nation well over $100,000,000 a year. That much money is required of us to help feed and clothe the displaced persons in their camps overseas. That much money is required to maintain the people at a minimum level, in a completely sterile and unproductive situation. If, on the other hand, we can improve our program so as to bring sizeable numbers of them to this country, we will not only effect great dollar savings but we will add these people, with all their talents and their industry, to our human resources and our national wealth.

There are certain objections raised to this program which I consider completely mistaken. By way of illustration, only the other day I was shocked to hear these displaced persons publicly described as the dregs of Europe. Nothing could be further from the truth. I have seen these people with my own eyes, I have talked with them in their camps in Germany, and I have first-hand knowledge of them as strong, self-reliant people who have known the tyranny of Nazi dictatorship and who are determined to make their own way in a democratic community. Moreover, to make doubly sure that no unworthy individual shall be admitted, we have surrounded this program with all the safeguards of our immigration laws and with special precautions against Communist infiltration.

Mr. President, the Displaced Persons Act of 1948 is fraught with pitfalls, delays, and unjust discriminations. When it was passed, we who favored the program considered it better than nothing, but we well knew how far it fell short of what was required. I have mentioned its cost to the American taxpayer and its injustice to the DP's themselves.

But the displaced persons are not the only ones beyond our shores who look to the United States for a more just and more enlightened policy. Freedom-loving peoples all over the world judge our performance according to our own high ideals of equality, democracy, and individual dignity. As a member of the Foreign Relations Committee, I am keenly aware of the close connection between our displaced-persons policy and the entire realm of our foreign relations.

Today, as we Americans with our great power hold the leadership in the cold war against Communist tyranny, the eyes of the world are constantly fixed upon us. It is more than ever vitally necessary that our conduct on the world scene shall conform to the great human principles which we as a nation have stood for from the very day of our independence. If, out of false caution or carelessness, we stand before the world with a policy of injustice, discrimination, and timidity, how long can we expect to receive the admiration of all the freedom-loving people in the world who now must look to us for their safety or their liberation? How long can we expect them to resist the false promises of easy salvation which are so freely made to them from Moscow?

Mr. President, actions speak louder than words. Economy and self-interest may be urged in support of a just and liberal displaced-persons program, and rightly so. But I urge the Senate to support that program on a higher and more worthy principle. The greatness of our Nation comes not from material things but from the things of the spirit. Now, more than ever, we must live and act before the whole world in a way that does honor to our ancient faith.

Mr. LANGER. Mr. President, in view of the fact that the Senator from Michigan has yielded the floor, I wish to make a few remarks. I desire to call the attention of the Senate to the speech delivered by the senior Senator from Nevada [Mr.

McCARRAN] approximately a month ago, in which he was joined, I believe, by the Senator from Mississippi [Mr. EASTLAND]. The two Senators discussed the displaced-persons problem, and, at least to my entire and complete satisfaction, proved that the Republican Party was not guilty of the charge which has just now again been reiterated by the Senator from West Virginia. The report of the senior Senator from Nevada shows that of all the displaced persons who have been admitted under the Displaced Persons Act, roughly, as I remember the figure now, 44 percent were Catholics, 39 percent, as I now recollect, were of Jewish extraction, the remainder being of other religions. As the senior Senator from Nevada said at the time he made his report on the subject, those figures showed that the act was fair and just.

When the bill was under discussion in the Senate the distinguished senior Senator from Wisconsin [Mr. WILEY], who was then chairman of the Committee on the Judiciary, proved to my complete satisfaction that the bill was fair and had been carefully drawn; and, as I now remember, the only difference between the Senator from Michigan and the Senator from Wisconsin was that the Senator from Wisconsin was not in favor of admitting as many displaced persons as was the Senator from Michigan. My recollection is that the Senator from Michigan voted for the bill.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. The Senator from Michigan would not sign the conference report on the ground of what he thought was the fixing of a quota in connection with which there was not taken into consideration all the facts, so as to provide that there should be no discrimination. That is the distinction between the position taken by the Senator from Wisconsin and that taken by the Senator from Michigan.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. EASTLAND. I should like to ask the Senator from Michigan a question. Who was discriminated against in the displaced-persons bill?

Mr. FERGUSON. It was my belief that the facts showed that it would be fair to bring in at that time displaced persons from all the camps in which they were segregated. The camps had segregated them. I felt that all the camps in which displaced persons were segregated should be given their share of the quota, so that there would be no distinction.

Mr. EASTLAND. Will the Senator from Michigan please tell us what racial or religious group was discriminated against?

Mr. FERGUSON. By reason of the dates fixed in the act I felt that the Catholics who had come from Poland would be discriminated against. I also felt that there could be discrimination against the Jews, because of the dates fixed in the act.

Mr. EASTLAND. Has it worked out in the way the Senator felt it would? Have those two groups been discriminated against?

Mr. FERGUSON. There have been so few persons brought in that it is difficult to say.

Mr. EASTLAND. The figures of those brought in show that about 7½ percent of the inmates of the camps belong to one of those religious groups, and that roughly 40 percent of those who are coming to the United States belong to that group.

Mr. LANGER. Mr. President, I wish to reiterate that the subcommittee of the Committee on the Judiciary which is handling the displaced-persons matter—I am not a member of the subcommittee, but have been following its work—has invited to appear before it representatives of all nationalities and of all creeds, and representatives of different nationalities and creeds have appeared before the subcommittee. All have had a fair hearing, with the exception of organizations representing expellees, and they are going to be heard by the subcommittee.

Another grave question which the subcommittee must consider, has arisen. General McCloy, who is now in Germany, the other day announced that he was in favor of sending 11,000,000 displaced persons who are now over there, to Argentina, to Brazil, and to a third country. I have forgotten the name of the third country. The general suggests that the United States Government bear the expense of having these expellees transported to the three countries in question. He announced that the three countries to which I refer desire that the expellees be sent to them. They want those persons to come to their countries. If we are going to pass legislation providing that the United States Government shall pay the transportation of the 11,000,000 persons from Europe to Brazil, to the Argentine, and to the third country mentioned by General McCloy, naturally legislation dealing with displaced persons is going to be somewhat different from what it was before General McCloy made that announcement.

Mr. DONNELL. Mr. President, some reference was made a few minutes ago to the action of the Eightieth Congress with respect to the displaced persons problem. I rise at this moment to say just a few words about what was done by the Eightieth Congress.

I had the privilege of serving under the leadership of the distinguished former junior Senator from West Virginia, Mr. Revercomb, upon the subcommittee of the Committee on the Judiciary which had to do with the displaced persons problem. Several of us went to Europe in the study of this problem. We visited quite a number of camps in Germany. We went to Italy. We were in Geneva, and discussed very fully, I think, with the IRO office, or the temporary IRO office, the problems involved. We were in England, where we likewise had some discussion bearing on that subject.

While there were differences of opinion, while the junior Senator from Michigan [Mr. FERGUSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Rhode Island [Mr. McGRATH] differed with the action of the committee, I have no apologies to make for what the subcommittee or the committee itself did. It may be that there should be some amendments to the law. I am quite willing to accede to the view that this is an important problem which should be dealt with as completely and as expeditiously as possible. But when an attack is made, such as has been made on the floor of the Senate and in the platform of the Democratic Party, against the Republican Party for its treatment of the displaced persons problem, I rise to say that any such criticism or attack is in my judgment thoroughly unfounded.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. BALDWIN. Is the junior Senator from Connecticut correct in understanding that when the Eightieth Congress was called back in special session in the summer of 1948, one of the items which the administration placed upon the agenda for that session was the consideration of the displaced persons problem?

Mr. DONNELL. As I recall, the Senator is correct.

Mr. BALDWIN. Can the Senator tell me then why it is that after the present Congress has been in session for nearly 6 months, and in complete control of the party of the administration, there has not been some action on this matter?

Mr. DONNELL. I think an answer to that question is unnecessary. I thank the Senator from Connecticut for presenting the point.

Mr. President, I do not want to stand here and say that the displaced persons' problem has been finally solved. I wish to say, however, that any criticism along partisan lines, on the one hand disclaiming the idea that this is a partisan subject, and on the other hand launching forth into a very clever criticism and denunciation of the Republican Party, is, in my judgment, thoroughly unfounded.

I should like to add that the subcommittee of the Committee on the Judiciary, of which the distinguished former Senator from West Virginia, Mr. Revercomb, was chairman, made an earnest and thorough investigation and study of this entire problem. The Judiciary Committee was then headed by the distinguished senior Senator from Wisconsin [Mr. WILEY].

I realize that the Senator from Michigan, the Senator from Massachusetts, and the Senator from Rhode Island differed with us upon very fundamental questions. We exercised our best judgment. It may well be that that judgment should be the subject of further consideration and revision. But I am very indignant at any attack which is made upon the Republican Party when it had a new problem, one which our country had never faced, and one which the Republican Party faced with vigor, integrity, and industry.

I do not know that I shall agree with the chairman of the Judiciary Committee this year upon every question relative to the displaced persons law. I do not know that I shall disagree with him. We shall consider the subject, and a determination will be made according to the best

judgment of the Judiciary Committee—in the first instance, by the best judgment of the subcommittee.

So far as I know, the present chairman of the Committee on the Judiciary, the distinguished senior Senator from Nevada [Mr. McCARRAN], has never been charged with being a member of the Republican Party. Yet, as the distinguished Senator from North Dakota [Mr. LANGER] stated a few minutes ago, the senior Senator from Nevada, a man of strong democratic beliefs, a vigorous defender of the Democratic Party, rose on the floor of the Senate on the 26th day of April and gave his opinion, which was not a partisan opinion, as I see it. He did not condemn the Republican Party. As I recall, not one word was said by him in his address which even remotely reflected on the Republican Party or the Judiciary Committee under the leadership of the Republican Party last year.

I should like to read a portion of the address of the distinguished Senator from Nevada on this subject, delivered on the floor of the Senate on the 26th day of April. He was referring to the displaced-persons law, the very law which this excerpt from the Democratic Party platform so vigorously criticizes and condemns. What did the distinguished Senator from Nevada, the Democratic chairman of the present Judiciary Committee, have to say on that subject? I read a portion of what he said on the floor of the Senate on the 26th day of April of this year:

> Mr. President, the present law has been falsely criticized as being unjust and discriminatory. Wherein lie the injustices and the discriminations? Although it is charged that the present law discriminates against certain religious groups, official spokesmen for some of these groups have denied that the law discriminates against them. Moreover, the facts immediately dispel this charge.

I digress to say that any Member of the Senate who desires to read the address from which I am now quoting will find it at pages 5042 and following of the CONGRESSIONAL RECORD. I continue with what the distinguished Democratic chairman of the Judiciary Committee said with respect to the displaced-persons law which was enacted by a Republican Congress:

> It is charged that the present law discriminates against persons of the Jewish or Catholic faith. As of March 31, of this year, 44 percent of the displaced persons who have been admitted pursuant to the act have been of the Catholic faith. Thirty-nine percent of the persons admitted pursuant to the act have been of the Jewish faith. Eight and one-half percent of the persons admitted pursuant to the act have been of the Protestant faith, and 8½ percent have been of the Greek Orthodox faith.

Was it improper for the Republican Congress, the Eightieth Congress, to have given consideration to the subject of housing? Has not this Congress itself realized the extremely difficult problem of housing, and the fact that hundreds of thousands, and perhaps millions, of our citizens have experienced great difficulty in obtaining adequate housing, and have often found it impossible?

Is it proper to criticize and condemn the Republican Party because of the fact that the Displaced Persons Act provides that those who desire to come to this country must have assurance, before they will be admitted, that houses will be available for them when they come here? Was it improper, or a matter properly the subject of criticism or condemnation, for provision to be made in the Displaced Persons Act, for the benefit of both the people of the United States and those who would come to the United States, that before such newcomers would be admitted, arrangements for their housing must have been made?

Mr. President, I now return to the statement the Senator from Nevada made on April 26. He said:

> It is charged that the present law, which requires assurances of housing and jobs as a prerequisite to admission, is administratively unworkable.

I see the distinguished Senator from Nevada [Mr. McCARRAN] upon the floor at this time. I should like to have him know that I am quoting now from observations which he made on April 26 with regard to the workings of the Displaced Persons Act.

I may say for his benefit that the charge has been made on the floor of the Senate today, in substance, that the Republican Eightieth Congress should be severely condemned for the displaced persons bill it passed. For the benefit of the Senator from Nevada, I tell him that I have previously stated during the debate today that to my mind the Senator from Nevada has never been accused of being a Republican. So far as I know, he is a Democrat; and by the nodding of his head at this time, I assume he is reaffirming his faith in the party of Thomas Jefferson.

Mr. McCARRAN. Very much so.

Mr. DONNELL. "Very much so," he says.

Yet the Senator from Nevada has never, so far as I know, made any comment to the effect that the Republican Eightieth Congress should be condemned for the Displaced Persons Act, which we have been told, in the debate here today, is a proper basis for condemnation of the Eightieth Congress.

Mr. McCARRAN. Mr. President——

Mr. DONNELL. I yield to the Senator from Nevada.

Mr. McCARRAN. I would not for a moment subscribe to that expression, if it has been made here. I had something to do with the writing of that act. I was a member of the subcommittee, with former Senator Revercomb, of West Virginia. The two of us, together with other Senators, prepared and wrote that act, after long study. I am responsible for certain phases of that act. One was that in view of the fact that we had a shortage of farm labor in the United States, we should look to those in the displaced-persons camps who had an agrarian background, and should screen them and should bring them to this country, so that they could fill the considerable need in the United States for farm labor. In the second place, there was a great shortage of domestic help in the United States. So the second proposition was that we should screen into this country, from the displaced-persons camps, those who had domestic training or a domestic background. We took the position that in that way we would be able to do several things: First of all, we would take out of the displaced-persons camps the persons who should be taken out; and in the second place, we would bring to the United States, labor to fill the considerable need for farm labor and domestic labor. In the third place, by supplying farm labor and domestic labor, we would not displace persons already in the United States from the housing they occupied, because in the farm regions there are greater facilities for housing than there are in the congested centers of the country. In the fourth place, naturally a domestic goes into a home, so no one would be displaced from a house because of the admission of domestics into the United States.

Above all, Mr. President, we had in mind making provision for the protection of American labor. Today American labor needs protection about as much as it has ever needed it, because, if we are correctly informed, today there are 3,000,000 or 4,000,000 unemployed persons in the United States, with great chances, I am sorry to say, that as many as 8,000,000 of the people in the United States will be unemployed between now and the first of next year. If that happens, if 8,000,000 Americans are or may be unemployed, I wonder whether we should bring into our country other persons who now are unemployed, unless we give the matter very careful care and consideration.

I thank the Senator for yielding to me.

Mr. DONNELL. Mr. President, I thank the distinguished Senator from Nevada for the very forthright and clear statement he has just made.

I wish to take this opportunity to pay just a word of tribute to him as a member of the subcommittee to which he has referred. The Senator from Nevada will recall that in the various meetings of the subcommittee, he was vigorous and strong and consistent in the views he asserted. Yet, Mr. President, on the other hand, the Senator from Nevada in the subcommittee meetings which I had an opportunity to attend was entirely reasonable in considering the proposals and suggestions which were made by other members of the subcomittee. I remember very distinctly that the Senator from Nevada constantly indicated his concern over the idea of introducing into this country great numbers of persons who might compete with American labor, great numbers of persons who, according to my recollection at this moment of the subcommittee hearings, might be subjected, if they were admitted to the United States, to poor housing conditions or who would deprive some of our own citizens of housing. I am glad to know, Mr. President, that we had upon that subcommittee, from the Democratic side, the distinguished senior Senator from Nevada [Mr. McCARRAN]; and I pay him this well-justified and well-earned tribute of respect and admiration for his work upon that subcommittee.

I was addressing myself to the point that on the floor of the Senate today an attack has been made upon the Republican Eightieth Congress. I wish to say that I rejoice that our distinguished friend, the Senator from Nevada, has made clear—as I was sure he would if he entered the Chamber at this time—that he does not join in any such criticism or condemnation. I think he has stated admirably and manfully his position.

A moment ago, when the Senator from Nevada requested that I yield to him, I was referring to a sentence to be found in his remarks of April 26, reading as follows:

It is charged that the present law—

The one that is attacked in the Democratic national platform, and has been attacked today on the floor of the Senate—

which requires assurances of housing and jobs as a prerequisite to admission, is administratively unworkable.

The Senator from Nevada has appropriately referred to the importance of seeing to it that, notwithstanding humanitarian impulses, and I do not think any Member of the Senate is lacking in humanitarian impulses—it is important and proper that at the same time we take into consideration the question of whether American labor is being properly safeguarded. In view of the millions of Americans who today are to be found upon the streets, without employment, I say that, even though the Eightieth Congress has been maligned and criticized and condemned from one end of the United States to the other by no less a person than the man who now occupies the position of Chief Executive of the Nation, to my mind the Congress acted wisely in providing in the Displaced Persons Act for some assurance that neither the interests of American labor would be injured nor would the people who came to our country from foreign shores find themselves without housing or jobs.

Mr. McCARRAN. Mr. President——

Mr. DONNELL. I yield to the Senator from Nevada.

Mr. McCARRAN. Let me say that the policy written into that law has proved to be not only satisfactory but salutary, because it has now been stated before the Judiciary Committee by the Chairman of the Displaced Persons Commission that, instead of having 24 months required within which to bring to the United States 205,000 persons from the displaced persons areas, only 19 months will be required. He says that under the program they will come into the United States within 19 months, instead of 24 months; and he says there is no trouble in getting commitments.

Mr. DONNELL. Mr. President, I thank the Senator. I well remember this fact also. The Senator from Connecticut [Mr. BALDWIN] asked whether the subject of displaced persons was one of the matters called to the attention of the special session of the Congress by the President. I responded that I thought it was. My memory has been completely refreshed by the fact that the Senator from Nevada, who I think was detained in Nevada by reason of illness, or by reason of illness that he had had, was unable to be here during the sessions of our subcommittee. I can remember as if it were yesterday that in the session of the subcommittee, in which the chairman, Senator Revercomb, the Senator from Rhode Island, Mr. McGrath, the Senator from Kentucky, Mr. Cooper, and I, a Senator from Missouri, sat, as I remember it, on one day of that special session, we received a telegram from the Senator from Nevada upon very important questions which were then being considered by the subcommittee. I pause to inquire of the Senator from Nevada whether my memory is not correct.

Mr. McCARRAN. The Senator is correct. I was at that time in the hospital at Bethesda, but I was watching the progress of the committee of which I was a member, and as I watched it, I sent word to the committee.

Mr. DONNELL. Mr. President, as I recall, among other things under discussion at that time was the one as to whether the date which was fixed as the final terminal date for the determination of who should be considered a displaced person should be changed from December 22, 1945, to April 21, 1947. If I am not mistaken, among the subjects on which the Senator from Nevada expressed his opinion in a long telegram to the chairman of the subcommittee was the point that there should not be a change in that date, December 22, 1945. Am I correct, may I ask the Senator?

Mr. McCARRAN. The Senator is correct. There was a reason for it. The executive order of December 22, 1945, that brought in certain displaced persons, or rather, that said that quota numbers should be taken from the regular quotas for displaced persons, fixed the date, and the relief organizations in Europe had agreed on the date, because that was a date some 7 or 8 months after the close of the war.

Mr. BALDWIN. Mr. President, will the Senator yield for a question at that point?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. DONNELL. I do not want to lose the point for a moment. Will the Senator defer his question for a moment?

Mr. BALDWIN. Yes.

Mr. DONNELL. In regard to the date of December 22, 1945, I am not here upon the floor of the Senate saying that I shall be adamant upon that particular date. If facts shall be shown which necessitate or make vital a change, I hope my mind is sufficiently open at least to be willing to hear the arguments upon it and to consider those arguments. But I may say, Mr. President, that at the time I voted for the displaced persons bill, both when it was originally passed and when motions were presented by the Senator from Michigan [Mr. FERGUSON], the Senator from New Jersey [Mr. SMITH], and I believe, by the Senator from Massachusetts [Mr. SALTONSTALL], I was convinced that the date of December 22, 1945, was the proper date.

The Senator from Nevada has referred to the fact that an executive order was issued as of that date, and that that had a bearing upon the question.

Mr. McCARRAN rose.

Mr. DONNELL. May I ask the Senator to indulge me just a moment? In addition to that point, as I saw the displaced-persons problem, what we were trying to do in the Congress was to enact legislation under which persons who could legitimately claim to be persons who were displaced by the war, which, in Germany, incidentally, had ended in either May or June 1945, might be eligible to admission into this country. I felt that a period of the difference between May or June, as the case may be, and December 22, 1945, was a sufficiently long period to have elapsed in determining who should be considered to have been displaced by war.

I may make that perhaps a little clearer by saying this: The suggestion was made, vigorously and powerfully, upon the floor of the Senate by some of the very distinguished Senators to whom I have referred, upon this side of the political aisle in this body, a motion was made, and it was made again in conference between House and Senate committees, in which conference I had the privilege of participating, that the date should be changed from December 22, 1945, to April 21, 1947, I believe it was, some 16 months after December 1945.

It seemed to me that a person claiming to have been displaced by the war might very properly claim so to have been displaced, if his displacement occurred within 6 or 7 months after the close of the German war. It is equally possible, of course, that some other date might have been selected. But if we should proceed to advance the date from December 22, 1945, to April 1947, there would not be merely a lapse of 6 or 7 months after the conclusion of the war in Germany, but a period of 22 or 23 months would have elapsed. To my mind it was not reasonable to select a date so far removed from the conclusion of the war as the date suggested by Senators who are arguing here today, or who have been arguing, because of two factors: In the first place, there was grave doubt in my mind as to whether persons who did not become displaced until 22 months after the conclusion of the war in Germany could properly be asserted to have been displaced by the war.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. DONNELL. May I ask the Senator to indulge me just one moment? In the second place, by advancing the date, what would be the effect upon the persons who were clearly displaced by the war? They were, for instance, in a certain category. I may illustrate it in this way. In my hand there is a book, a rectangle, which represents those who were clearly displaced by the war, during the war, or between the conclusion of the war and the terminal date of December 22, 1945. Every man and woman in that particular category would have a certain mathematical chance of being selected, if he or she filled the qualifications. But suppose that instead of confining to this rectangle the list of persons who would be eligible,

we should add two more rectangles of equal extent. Thus it would appear that each person in the first rectangle would have his chances cut down perhaps to a third of what they were before the date was advanced. So, Mr. President, it seemed to me, and I think it seemed probably to some other members of the committee and to the Senate, that it was fairer to confine the definition of displaced persons to those who clearly came within that term, rather than to dilute the chances of those who were so clearly entitled to consideration by the admission of two or three or four times as many persons into the category, thus reducing, with respect to each individual who was originally entitled, his or her chances of admission to this country.

I now yield to the Senator from Connecticut.

Mr. BALDWIN. The distinguished Senator from Nevada raised the point of how the date was determined. Is the junior Senator from Connecticut correct in believing that the date of December 22, 1945, was a date put into the bill as having come from some executive order with reference to the matter?

Mr. McCARRAN. Mr. President, will the Senator yield so that I may answer that question?

Mr. DONNELL. I yield.

Mr. McCARRAN. There was an executive order issued by the President which directed that a high percentage, which I do not have in mind at the moment, of all those who would be admitted into this country under the quota should be taken from that group of displaced persons who became displaced up to a certain date. That was the date which the committee selected as being the proper date.

Mr. BALDWIN. Mr. President, will the Senator yield for a further question?

Mr. DONNELL. I yield.

Mr. BALDWIN. Did that Executive order predate the passage of the bill?

Mr. McCARRAN. Yes.

Mr. BALDWIN. So that the date of December 22 was fixed as the result of a previous Executive order; is that correct?

Mr. McCARRAN. That is correct. I want to say, in fairness, that the Executive order, or its effect, was terminated prior to the passage of the bill, I think, but it became necessary to adopt that date because the President had seen fit to fix it as a cut-off date beyond which his Executive order should not extend the clemency which was involved in his Executive order.

Mr. BALDWIN. The junior Senator from Connecticut asked that question because he was one who felt that the date ought to have been extended. I do not recall that this particular point was ever raised in the debate. At the time it seemed to me to be a very important point. In other words, the committee selected the date of December 22, taking it from a previously issued Executive order which, presumably, had been issued after an investigation of the facts and recommendations concerning the fixing of the date.

Mr. McCARRAN. As I recall it now, that is correct.

If I may interrupt briefly—I shall have to leave the floor in a moment——

Mr. DONNELL. Certainly.

Mr. McCARRAN. Let me say that other objections have been raised to the presently existing law. One of them was raised by the able Senator from Rhode Island [Mr. McGRATH] who spoke on the floor of the Senate only a few minutes ago, and who stated that the law was discriminatory, that it discriminated against Jews and Catholics. What are the facts? Up to date, according to the record of the Displaced Persons Commission and testified to by witnesses before the Judiciary Committee of the Senate, 39 percent of those who have been brought in under the act were Jews, and 41 percent of those who have been brought in under the act were Catholics——

Mr. DONNELL. Is it not 44 percent?

Mr. McCARRAN. My recollection is that it is 41 percent.

Mr. DONNELL. As of the date of April 26, it was 44 percent.

Mr. McCARRAN. I think the figures are 39 percent, 41 percent, and 8½ percent of Protestant faith and 8½ percent of Greek Orthodox faith. I am quoting the figures from memory.

Mr. DONNELL. May I interrupt the Senator?

Mr. McCARRAN. Certainly.

Mr. DONNELL. I have admiration for the Senator's memory, but he undoubtedly had his manuscript before him when he spoke on April 26, at which time he said:

> It is charged that the present law discriminates against persons of the Jewish or Catholic faith. As of March 31, of this year, 44 percent of the displaced persons who have been admitted pursuant to the act have been of the Catholic faith. Thirty-nine percent of the persons admitted pursuant to the act have been of the Jewish faith. Eight and one-half percent of the persons admitted pursuant to the act have been of the Protestant faith, and 8½ percent have been of the Greek Orthodox faith.

I have added those various percentages, and they total exactly 100 percent.

Mr. McCARRAN. Undoubtedly I was speaking from manuscript when I spoke on the floor at that time, and probably those percentages are correct, but it still runs in my head that the figures are 41 and 39.

Mr. DONNELL. Has there been anything which has changed the Senator's mind, since April 26, as to whether the charge that the Displaced Persons Act discriminates against persons of the Jewish or Catholic faith is well founded?

Mr. McCARRAN. No; certainly not. The figures would refute any attitude of mind I might have along that line.

The objection was raised—if the Senator will permit me for a moment, because I must leave the floor—that the act discriminated against Catholics and Jews because of the demand in the bill that there should be an agrarian background to a certain percentage and a domestic background to a certain percentage, and neither Jews nor Catholics took to those particular vocations. The fact of the matter is that we have been able to get from those vocations, as Mr. Carusi testified, the percentage required in both instances, and yet there has been a higher percentage of the Jewish religion and a higher percentage of the Catholic religion than of any others, which dissipates the argument that something in the act discriminates against those religions.

If I may be so bold, I again invite the attention of the Senator from Missouri to the fact that I had an active hand in the writing of the percentage with reference to the agrarian background and the domestic background. I am a Roman Catholic, so born and reared, and I shall die a Roman Catholic. Certainly I would be the last one in the world to put something into a bill which would discriminate against the religion of my mother.

Mr. DONNELL. I thank the Senator from Nevada for his contribution. I should like to say to him, before he leaves the floor, that I do not want to leave him under the impression that I shall rigidly, necessarily, vote against any amendment to the bill. There may be some amendments which the committee will favor. I do not know. I think my mind is reasonably open. But I want to say that I was in favor of the displaced-persons bill in 1948. If I were to vote upon the proposition again, with the knowledge I had at that time, I would again vote in favor of it.

The question of the Senator from Connecticut as to whether the Executive order of the President preceded the enactment of the displaced-persons bill was, I think, answered both by the Senator from Nevada and by the fact that the Executive order was issued in the year 1945, and the bill was passed in 1948.

Mr. BALDWIN. Mr. President, will the Senator yield for a further question?

Mr. DONNELL. I yield.

Mr. BALDWIN. The junior Senator from Connecticut, at the time the bill was under consideration on the floor, offered an amendment which would have added, as I recall, 15,000 persons to the 200,000 authorized by the bill as it came from the committee. The purpose of the junior Senator from Connecticut was to permit persons who had gotten to the United States under their own power and steam, so to speak, particularly some Estonians, Poles, and others who had the courage of their convictions and the courage to brave the ocean and get here, to be included, even though they had never been in a concentration camp. It is my recollection that the amendment was adopted, but that the number was reduced. Am I correct in that recollection?

Mr. DONNELL. I think the Senator is correct. I should not want to make a positive statement to that effect.

Mr. BALDWIN. Mr. President, will the Senator yield for a further question? The matter is of great interest to the junior Senator from Connecticut, and he is not a member of the committee.

Mr. DONNELL. I yield.

Mr. BALDWIN. In the present deliberations of the committee is provision being made to take care of those persons who come here by providing their own transportation? Some have crossed the ocean in small boats at great risk to their lives and at great discomfort and dan-

ger. Is provision being made for such persons who are already here, albeit, perhaps illegally? It might be said that the Pilgrims came here illegally, because America was a continent belonging to and inhabited by the Indians. Nevertheless, the Pilgrims were strangers and newcomers. It seems to me that those persons who have faced the same kind of danger in these later days are entitled to some consideration. I am very much interested in knowing whether the committee, in its deliberations, is taking that fact into consideration in its proposed amendments to the bill

Mr. DONNELL. Mr. President, I cannot tell the Senator whether the committee has as yet given consideration to that fact. I may say to the Senator that the work to which the Senator from Nevada has referred, the study of the operation of the law, has been carried on, I do not know how much by the Senators themselves, but I do know that there is a staff, and I am very proud of the fact that the head of the staff is a young man, Mr. Richard Arens, who was assocated with me in the office of Governor of the State of Missouri for over 3 years. He is competent, and I have no doubt that his staff is getting the facts together competently.

I was about to say to the Senator that a meeting of the subcommittee was called for last Friday, I think in the afternoon. I was unable to be at the meeting because of the fact that I was on the floor of the Senate engaged at that very moment, I think, or at least approximately that time, in the debate on the labor measure now pending in the Senate. I cannot tell the Senator what was brought up or what was found as having been developed by those who were present at the meeting.

I can assure the Senator that if the point to which he refers is not brought up by someone else, I shall certainly see that the matter is at least brought to the attention of the subcommittee and given onsideration.

Mr. BALDWIN. Mr. President, I express my thanks to the distinguished Senator from Missouri, because I have been particularly interested in this group of people. I am particularly interested in seeing the program continued. It is the recollection of the junior Senator from Connecticut that when this matter was under discussion in 1948 the question was presented as to whether or not we, as Americans, were doing our share, as other nations were doing at that particular time. It seemed to me that England and some of the other countries had already brought into their borders numbers of these displaced persons, and it seemed to the Senator from Connecticut at that time that we, as Americans, certainly ought to fulfill our responsibility in that direction. It seems to the junior Senator from Connecticut now that we should continue to do so.

However, it is absolutely essential that in bringing these people to our shores we make some provision for them, that we do not introduce them into a period of low employment, that we do not have them come here without places to which to go, places where they can work, and homes within which they can live; that we must, for their good, as well as our own, if we are to welcome them here, see to it that there is an American opportunity when they get here.

I am sure that the committee has that matter in mind. I am very hopeful that there will be some action at this session of the Congress on displaced persons legislation because I think it is consistent with our policy of assimilating as many people as we can who are seeking an American way of life, and it certainly should be consistent with our policy to fulfill our obligation with respect to assuming our share, as other nations of the world have done already.

Mr. DONNELL. I thank the Senator. I may say, with respect to the date of December 22, 1945, and the date of April 21, 1947, that whole subject matter was argued in extenso on the floor of the Senate, as doubtless the Senator from Connecticut will recall. There were some objections, and perhaps some legitimate objections, to the date of December 22, 1945. It was pointed out by those who opposed that date that it was impossible, in their opinion, to ascertain just who were actually in the category concerned at the date of December 22, 1945. There may be something to that point.

Mr. President, I wish to say again, however, reverting to the point to which I addressed myself at the outset, that the Eightieth Congress gave consideration to all these questions, the subcommittee did, its members, or those who could, went to Europe and visited the camps, and could tell many an interesting story and many an interesting experience with respect to the persons they saw there.

They came back, and the members of the subcommittee worked hard, the committee worked hard, the Senate worked hard, and the members of the conference committee between the House and the Senate worked hard upon this problem. While there were differences of opinion, I today reiterate that to my mind no just criticism or condemnation can be leveled against the Eightieth Congress because of its action in passing the bill, even though it be found at this time, after study of experiences with the law, that there are amendments which are appropriate to be made to it.

Mr. President, it recalls to my mind that we have been engaged in a study of the labor question, and the Taft-Hartley law. There are those who say that the Taft-Hartley law contained defects. Indeed, the distinguished senior Senator from Ohio [Mr. TAFT], who is upon the floor of the Senate at this moment, and whose name the law bears, has very frankly set forth in a memorandum, to which attention was called upon the floor of the Senate, and which subsequently was distributed to Members of the Senate, numerous points on which in his opinion there should be changes in the Taft-Hartley law. In the same way, there may be changes which should be made in the displaced persons law. To my mind the Senate acted in the best possible way, and it passed the bill, with the light before it.

I do not wish to trespass very long upon the Senate, but I should like to read a little further from what the distinguished Senator from Nevada [Mr. McCARRAN] said on April 26. The Senator from Nevada is one who, as I have stated, is not a Republican, is a member of the Democratic Party, and I think is proud of his membership in that great party. What did he say, however, about the operation of this law, passed by the Eightieth Congress, in response to the charge that the present law, which requires assurances of housing and jobs as a prerequisite to admission, was administratively unworkable? The Senator from Nevada said on April 26, in this very Chamber:

> The Chairman of the Displaced Persons Commission, however, when recently testifying before a subcommittee of the Senate Committee on the Judiciary, stated that, although the program under the present law did not get under way until October 1948, there are already on file assurances of an aggregate number of 143,000 people. I quote his testimony: "We have no trouble in getting enough assurances. * * * So far as assurances are concerned, we shall receive many more than 205,000; many more. They are coming in at that terrific rate."

Then, continuing, the Senator from Nevada said:

> He further testified to the effect that, notwithstanding the lag in getting the program under way, by the summer months, the flow will be at a rate of 16,000 persons a month, and that the aggregate number provided for under the present law will arrive in the United States within a period of 19 months, instead of within a period of 24 months, as provided in the present law.

The Senator continued:

> The present law has also been unjustly criticized—

Notice the language, "unjustly criticized"—

> The present law has also been unjustly criticized as unfair because it gives a priority of 30 percent to agriculturalists and their families. The facts are, however, that this priority is not only eminently fair to the displaced persons but is justified by the need for agricultural workers in the United States and the desire to direct the displaced persons away from the congested metropolitan areas.
>
> The number of displaced persons within the classification for which a 30-percent priority is given constitutes at least 60 percent of the total of the displaced persons. It is thus seen that a 30-percent priority to agriculturalists and their families is eminently fair. The experience under the present law amply vindicates this provision, for, notwithstanding the present law, over 80 percent of the displaced persons who have thus far been admitted have settled in metropolitan areas.
>
> Another provision of the present law which has been criticized unjustly is that provision which gives a 40-percent priority to persons who have fled from those countries which are now de facto annexed by Communist Russia and who cannot possibly return for fear of their very lives. Here again, Mr. President, at least 40 percent of the displaced persons, by number, are actually in this category of persons for whom the priority has been given, but less than 40 percent of the displaced persons thus far admitted have been persons covered by the priority.

Mr. President, I shall not trespass longer upon the time of the Senate. I

rose today, not to argue about the Displaced Persons law and as to whether there should or should not be amendments made in it, but I rose in protest against the condemnation which upon the floor of the Senate has been gratuitously placed against the Republican Eightieth Congress in its enactment of this law. I have called as my witness to the stand here today not only through his previous words, which are in the CONGRESSIONAL RECORD, but through his voluntary expression on the floor of the Senate today, the Democratic chairman of the present Committee on the Judiciary, the senior Senator from Nevada [Mr. MCCARRAN], who, notwithstanding his political affiliations, notwithstanding his church membership to which he alluded, has stated so eloquently and clearly and firmly and courageously on the floor of the Senate today that he is not leveling such a condemnation against the Eightieth Congress nor is he acceding to those criticisms which have been placed before us.

Yes, I remember the fact that one of our colleagues, the Senator from Rhode Island [Mr. MCGRATH], a member of the subcommittee of the Committee on the Judiciary, rose in this very Chamber and charged that the bill which had been reported by the committee, the subcommittee of which he was a member, would bring about discrimination from a religious standpoint. I do not mean to imply that the Senator from Rhode Island had agreed to the report of the subcommittee or of the full committee, but I want to say that in my judgment, as I sat on the floor of the Senate that day when that debate occurred, there was no basis for the view that either the subcommittee, the full committee, or, in my judgment, the Senate, or the House of Representatives, acted from either personal or political or religious prejudices or purposes.

So, Mr. President, today, while we are hoping that prompt consideration can be given to this whole subject matter, and while I believe it will be given, nevertheless I want to say that I do not share in the condemnation either of the Congress or of its present Committee on the Judiciary. I realize there has been no express condemnation of the Committee on the Judiciary. But the suggestion has been made that the whole subject matter should be taken out of the hands of the Committee on the Judiciary. Mr. President, I do not share in that view.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I yield.

Mr. BALDWIN. The Senator from Missouri alluded to the fact that the full amount of the quota under the existing legislation will be brought into the United States in 19 months. Can the Senator tell me when that 19 months' period will expire?

Mr. DONNELL. I cannot. I do not recall.

Mr. BALDWIN. Can the Senator tell me whether, in order to continue the program, it is absolutely necessary that during the present session of the Congress we adopt some type of displaced persons legislation continuing the quota, whatever it may be, in order that the program may continue?

Mr. DONNELL. I will have to examine the facts, but I am inclined to the view the Senator suggests. I certainly think that the subcommittee, and the full Committee on the Judiciary should give as early consideration to this problem as it is possible for them to give, and to take action upon it.

Mr. BALDWIN. Mr. President, will the Senator again yield?

Mr. DONNELL. I yield.

Mr. BALDWIN. I wish to say that the junior Senator from Connecticut certainly hopes so. As I listened to the remarks of the distinguished junior Senator from Michigan it seemed to me his point was that unless we did something at this session of Congress and did it soon the whole program might collapse.

Mr. DONNELL. Mr. President, I am not able to make answer to that statement. But I can assure the Senator that in my judgment the subcommittee and the full Committee on the Judiciary will certainly take any such fact as that into full consideration in determining the action they respectively should take.

Mr. BALDWIN. I thank the Senator from Missouri.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 96) authorizing the Clerk of the House, in the enrollment of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes, to make a change, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 593. An act for the relief of Hampton Institute;

H. R. 650. An act for the relief of George A. Kirchberger;

H. R. 716. An act for the relief of Mark H. Potter;

H. R. 717. An act for the relief of Groover O'Connell;

H. R. 735. An act for the relief of Phil H. Hubbard;

H. R. 1123. An act for the relief of Mrs. Florence Mayfield;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 1837. An act to amend the Nationality Act of 1940;

H. R. 1858. An act for the relief of the legal guardian of John Waipa Wilson;

H. R. 1981. An act for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan;

H. R. 2078. An act for the relief of Winston A. Brownie;

H. R. 2353. An act for the relief of Joel W. Atkinson;

H. R. 3311. An act for the relief of Carmen Morales, Aida Morales, and Lydia Cortes;

H. R. 3324. An act for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3603. An act for the relief of Michael Palazotta;

H. R. 3992. An act for the relief of J. L. Hitt;

H R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy;

H. R. 4878. An act to authorize certain Government printing, binding, and blankbook work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; and

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes.

AMENDMENT OF NATIONAL BANK AND BRETTON WOODS AGREEMENTS ACTS—CORRECTION OF ENROLLED BILL

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate House Concurrent Resolution 96, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H. R. 4332) entitled "An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes," is authorized and directed, in the second sentence of section 3 of the act, after the word "act" to insert the word "and."

Mr. LUCAS. Mr. President, I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

PRESENCE IN GALLERY AS GUESTS OF REPRESENTATIVE MACK, OF ILLINOIS, OF 100 SCHOOL CHILDREN

Mr. LUCAS. Mr. President, I desire to take a moment of the Senate's time to point out to the Senate and to the country the very progressive idea and constructive program of a Member of the House of Representatives, namely, PETER F. MACK, Jr., of the Twenty-first District of the State of Illinois. On my left in the gallery are 100 school children whom Representative MACK has brought from the State of Illinois at his own expense to be his guests in the Capital for several days. These youngsters, who are enjoying their first trip to the city of Washington, are having a most enjoyable and educational experience.

I take this opportunity to congratulate Representative MACK on the opportunity he is giving to the youth of his district to learn the workings of their Government. It so happens that my county, Mason County, Ill., is in the Twenty-first District. Some school children from that county are in the group of fine young people now in the gallery.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The PRESIDING OFFICER (Mr. KERR in the chair). The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE] to title III of the substitute of the Senator from Utah [Mr. THOMAS].

Mr. MORSE obtained the floor.

Mr. BALDWIN. Mr. President, will the Senator yield so I may suggest the absence of a quorum?

Mr. MORSE. I yield.

Mr. BALDWIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Miller
Baldwin	Hoey	Millikin
Brewster	Holland	Morse
Bricker	Humphrey	Mundt
Bridges	Hunt	Murray
Butler	Ives	Myers
Byrd	Jenner	Neely
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Reed
Chavez	Kefauver	Robertson
Connally	Kem	Russell
Cordon	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Douglas	Knowland	Sparkman
Downey	Langer	Taft
Eastland	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wiley
Gurney	Magnuson	Williams
Hayden	Malone	Withers
Hendrickson	Martin	Young

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] to title III of the so-called Thomas substitute.

Mr. MORSE. Mr. President, I wish to take 2 or 3 minutes very briefly to describe the Morse amendment now pending before the Senate, and upon which I hope we can have an immediate vote.

The Morse amendment provides, in the case of national emergency disputes, for a Presidential proclamation; the appointment of an Emergency Board with the power and the obligation to render a decision; the laying of the case before the Congress in the event that the President finds that there is threatened or is in fact a stoppage of work which endangers national health and safety, with the right to make such recommendations as he sees fit in respect to the merits of the case, including the recommendation of seizure; the opportunity on the part of the Congress within a 10-day period to disapprove of the seizure recommendation if in the judgment of the Congress the facts do not merit seizure; the opportunity on the part of the President, in the absence of a rejection of seizure by the Congress, to place the seizure in the hands of an appropriate Government department or agency; the discretionary right on the part of the Government agency to apply during the period of Government seizure terms with respect to wages, hours, and working conditions, in conformity with the findings of the Emergency Board; the requirement that the Norris-LaGuardia Act shall apply to the Government during the period of Government seizure, save and except when the Congress, by concurrent resolution, specifically excepts that particular case from the operation of the Norris-LaGuardia Act; the provision about which my friend from Minnesota [Mr. THYE] asked a question earlier in the day, that during this whole period the Federal Mediation and Conciliation Service shall continue its best efforts, along with the Emergency Board, to bring the parties together on a reasoned collective-bargaining settlement of their differences; and the provision—the last one which I shall stress—that after the completion of Government seizure, when the question arises as to what compensation shall be paid the employer for the use of his property during the period of Government seizure, the Compensation Board shall take into account the findings and recommendations of the Emergency Board, including the Emergency Board's determination as to what party was at fault in the dispute in the first instance.

Thus, to use the hypothetical case upon which I commented yesterday, if the facts disclose that the employer was not in fact at fault, but the union was, the employer would be entitled, in the determination of the compensation, to a full return for the use of his property. In other words, he would get profits over and above so-called fair compensation for the use of his property, which I think is very important in order to make perfectly clear that the union, when it is at fault, will not succeed in the strategy of forcing Government seizure to the financial detriment and loss of the employer. Conversely, when the employer might think, as a matter of strategy, that it would be to his advantage to force Government seizure, labor will be protected in that the hours, wages, and working conditions as found by the Emergency Board may be put into operation by the Government.

Those are the essential features of my amendment. I think opinion has pretty well crystallized one way or the other on it. I recommend it to the Senate as a sound, middle-course action to be taken in the settlement of emergency disputes. I particularly recommend it to my party, because I think it makes perfectly clear that if we adopt my amendment the Republican Party holds fast to the provisions of the Norris-LaGuardia Act and makes clear to American labor that the Republican Party does not stand for the weakening of a great piece of labor legislation which was enacted by the Congress under Republican leadership years ago.

Mr. President, unless there are questions, I am ready to have my amendment come to a vote. I have checked with a sufficient number of my colleagues on a request for the courtesy of the yeas and nays. I am satisfied that the request will be granted, but in order to get it behind us, I now ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TAFT. Section 304 (d) of the Senator's amendment provides as follows:

(d) Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members, and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work and not to engage in any strike, slow-down, or other concerted refusal to work, or stoppage of work, and if such stoppage of work has occurred, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such enterprise is in the possession of the United States.

(e) During the period in which possession of any enterprise has been taken by the United States under this section, the employer or employees or their duly designated representatives and the representatives of the employees in such enterprise shall be obligated to continue collective bargaining for the purpose of settling the issues in the dispute between them.

Under that provision, or even perhaps without that provision in the act, if the United States took possession, I wonder whether there would not be ground for an injunction against a strike by employees.

Mr. MORSE. I say to my good friend the Senator from Ohio that under my amendment I do not think there would be any basis whatsoever for an injunction, unless it was found that the facts of the case came within the Norris-LaGuardia Act, so that that act applied. If the court found that the facts existing in the case came within the framework of the Norris-LaGuardia Act, then the Norris-LaGuardia Act would be applicable. In the second place, it should be observed that the Norris-LaGuardia Act would be applicable unless the Congress by concurrent resolution decided that a particular case should be exempted from the Norris-LaGuardia Act, and should be subjected to the injunctive process.

Mr. TAFT. Mr. President, will the Senator yield again?

Mr. MORSE. I yield.

Mr. TAFT. As I read the United Mine Workers case, the Norris-LaGuardia Act does not apply to an injunction sought by the Government against its own employees. But when the Government has taken possession, why is not the United Mine Workers case authority for the proposition that an injunction can be sought in such case, free from the application of the Norris-LaGuardia Act?

Mr. MORSE. I say that I am satisfied that once the Supreme Court has the benefit of having before it my amendment to show the clear congressional declaration and intent, it will be very

difficult for the Supreme Court to take the position that an injunction could be issued in the absence of a concurrent resolution by the Congress.

Mr. TAFT. I thank the Senator.

Mr. President, I wish to speak very briefly in opposition to the amendment.

The Senator from Oregon has had very wide experience in labor-management relations, and I think his amendment is very well drawn and very ingenious. My difficulty with it is that it seems to me to go very much farther toward compulsory arbitration by the Government than I am willing to go. The provision of the amendment is very definitely that the President may ask for seizure, and that if the Congress does not disapprove in 10 days, the President can seize the plant. So the amendment is first a seizure amendment.

Then the amendment provides that a board is to be appointed, and is to be directed to find the facts. There is a rather definite provision that the status quo, as to wages, working conditions, and so forth, shall be maintained, except in conformity with the recommendations of the emergency board or in conformity with a concurrent resolution of the Congress, under which the wages may be changed by the board, temporarily at least; and that would change the status quo, thus giving a strong Government backing to the new wage rate.

In effect, the amendment would permit the Government to put into effect the decision of the board, at least partially; and therefore it seems to me that, in effect, the amendment would amount to compulsory arbitration.

If the employer does not agree, then under section 301 (c), relative to the determination of just compensation, the employer may well be penalized in the compensation he receives for the property which has been seized from him.

The Senator from Oregon is fair; his amendment also exercises some coercion against the labor unions, to see that they agree to the decision.

It may be that ultimately, in the final analysis, after everything else has broken down, we may get to something like compulsory arbitration. In a particular emergency, I do not know that I would object to it.

I must admit that the Senator from Oregon has worked out the machinery very cleverly, I think. But I do not believe his amendment should go into a law which in my opinion should be confined to maintaining the status quo for 60 days while efforts are made to mediate, and perhaps to use the force of public opinion, but not to the extent of actually trying to force a Government decision on the two parties.

Therefore, although I say I have some sympathy with the proposal, I believe I shall vote against the amendment of the Senator from Oregon.

Mr. THOMAS of Utah. Mr. President, I trust that the Senate will reject this amendment. Like the Senator from Ohio, I believe there is much in the amendment that is worthwhile for a particular case. However, the amendment attempts to anticipate definitely what might happen in a national emergency, and to bring Congress into the picture on almost an administrative level, although I do not say it would be on entirely an administrative level. So it seems to me that the amendment is primarily an invitation to the Congress to administer the law and to act as the executive, and might well bring the Congress into the field of administrative law.

The reason for the amendment is apparent and plain, namely, that certain Senators have little faith in what may be called the President's inherent powers, so they wish to prescribe the things the President must do in industry-labor relations.

Mr. President, in the field of industry-labor relations, we did not have emergency-situation provisions in the law until 1947. Yet we got along fairly well up to that time. Certainly I do not need to assume that future Presidents will not meet the situations confronting them in about the same way that past Presidents have met the problems with which they have been faced. For the sake of thinking this problem through on the basis of the principal constitutional questions involved, I believe we should realize that when Washington acted in the Whisky Rebellion, he was acting in an emergency way. The powers for what he did were not prescribed, but the American people supported what he did. When Jefferson acted in regard to the Louisiana Purchase, his powers were not prescribed, but the people of the United States supported what he did, and I think everyone has generally decided that he acted properly. When Tyler as President of the United States wished to modify the scheme in regard to the veto power, there were no prescribed powers for his action, but what he did has been subscribed to by other Presidents since his time. So, throughout our Nation's history, Presidents who have been considered wise and great have used powers which the American people have sustained.

Mr. President, I have no fear of our constitutional way of functioning, and I think future Presidents will meet the situations confronting them in much the same way that past Presidents have met the problems they have faced.

I trust the amendment will be rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE] to title III of the so-called Thomas substitute.

On this question, the yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the second World Health Organization Assembly, which is meeting at Rome, Italy.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

I announce further that if present and voting, the Senator from Louisiana [Mr. ELLENDER] and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. TAFT. I announce that the Senator from Montana [Mr. ECTON] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Nebraska [Mr. WHERRY] is necessarily absent. If present and voting, the Senator from Nebraska would vote "nay."

The senior Senator from Massachusetts [Mr. SALTONSTALL] and the junior Senator from Massachusetts [Mr. LODGE] are necessarily absent. If present and voting, the senior Senator from Massachusetts [Mr. SALTONSTALL] would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is detained on official business. If present and voting, the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 9, nays 77, as follows:

YEAS—9

Graham	Johnson, Colo.	Morse
Hendrickson	Long	Tobey
Ives	McCarthy	Withers

NAYS—77

Aiken	Hayden	Miller
Anderson	Hickenlooper	Millikin
Baldwin	Hill	Mundt
Brewster	Hoey	Murray
Bricker	Holland	Myers
Bridges	Humphrey	Neely
Butler	Hunt	O'Mahoney
Byrd	Jenner	Pepper
Cain	Johnson, Tex.	Reed
Capehart	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Taft
Douglas	Langer	Taylor
Downey	Lucas	Thomas, Okla.
Eastland	McCarran	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Tydings
Frear	McGrath	Vandenberg
Fulbright	McKellar	Watkins
George	McMahon	Wiley
Gillette	Magnuson	Williams
Green	Malone	Young
Gurney	Maybank	

NOT VOTING—10

Ecton	O'Conor	Wagner
Ellender	Saltonstall	Wherry
Lodge	Smith, N. J.	
Martin	Stennis	

So Mr. MORSE's amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 750. An act for the relief of Lee F. Bertucciolo;

H. R. 2709. An act for the relief of Sadac Aoki; and

H. R. 3458. An act for the relief of Celeste Iris Maeda.

The message also announced that the House further insisted upon its disagreement to Senate amendments numbered 5, 6, and 7 to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds avail-

able for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARY, Mr. FERNANDEZ, Mr. PASSMAN, Mr. CANNON, Mr. CANFIELD, and Mr. COUDERT were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAWSON, Mr. HOLIFIELD, Mr. BURNSIDE, Mr. RIEHLMAN, and Mr. HARVEY were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service; and

H. R. 4332. An act to amend the National Bank Act and the Bretton-Woods Agreements Act, and for other purposes.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question recurs on the amendment of the Senator from Illinois [Mr. DOUGLAS] and other Senators to the substitute offered by the Senator from Ohio [Mr. TAFT] for title III of the Thomas bill.

Mr. DOUGLAS. Mr. President, on behalf of the Senator from Vermont [Mr. AIKEN] and myself, I wish to withdraw, at least temporarily, the amendment to the substitute offered by the Senator from Ohio.

The VICE PRESIDENT. The amendment is withdrawn.

Mr. LUCAS. Mr. President, I offer an amendment to the Taft substitute, and ask that it be read.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Illinois.

The LEGISLATIVE CLERK. On page 4, beginning at line 22 and ending at line 23, it is proposed to strike out "to enjoin such strike or lock-out or the continuing thereof or."

On page 5, at line 1, strike out "or both."

On page 5, beginning at line 10 and ending at line 11, strike out "to enjoin any such strike or lock-out, or the continuing thereof or."

On page 5, at line 14, strike out "or both."

On page 6, beginning at line 1 and ending at line 4, strike out:

(b) In any case, the provisions of the act of March 23, 1932, entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.

On page 6, at line 5, strike out "(c) The order or orders" and insert "(b) Action."

On page 6, beginning at line 10 and ending at line 13, strike out "issued an order under section 304 enjoining acts or practices which imperil or threaten to imperil the national health or safety or."

On page 6, at line 15, strike out "giving rise to such order."

On page 6, beginning at line 20 and ending at line 21, strike out "discharge the injunction and."

On page 6, at line 23, strike out "and the injunction discharged."

The VICE PRESIDENT. The Chair understands that the Senator from Illinois offers the amendments as a single amendment affecting the injunction provision in the Taft substitute, and they are to be considered as one amendment.

Mr. LUCAS. That is correct.

Mr. President, this amendment speaks for itself and it is not difficult to understand. There are no technical difficulties about it; there are no dire implications about it; there is nothing about it as to which the courts might be divided in the event it should ever reach a court. The amendment simply goes to the core of the emergency provision of the Taft substitute, which is the injunction. It strikes out every word, every line, and every paragraph in the Taft substitute dealing with the crucial issue in this controversial question, which is the injunction.

During the past 6 years the Congress of the United States has been seeking an effective legislative solution to the problem, to find a way to stop strikes in what is known as a national emergency. A variety of plans and procedures have been suggested. The first one which was adopted was back in war times, when we passed the Smith-Connally Act. As I recall, the Smith-Connally Act was an implementation of section 9 of the Selective Service Act, dealing with seizure. What we attempted to do at that time was to keep in production our effective war weapons without a strike or a lock-out.

Following that, in 1947 Congress passed what is known as the Taft-Hartley law, which is the law of the land at this time.

I said a moment ago that the core of the emergency program in the Taft-Hartley Act is the injunction. I say that for the reason that it is the only device under the machinery of the amendment whereby a waiting period can be secured. Boards of inquiry, waiting periods, reports to the President and to the Congress, indeed all sorts of elaborate machinery are established around the device of injunction. I want the Senate to remember what I am now saying with respect to the application of the injunction to the waiting period, which is 80 days under the present law and 60 days under the Taft substitute for the Thomas bill. The act permits an injunction after an initial report by a board of inquiry to the President of the United States. After the board of inquiry makes its report to the President of the United States, an injunction can be issued upon the request of the Attorney General, and not before that time. The moment this temporary injunction——

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I should like to finish. I do not want to start a long series of questions. But I yield to the Senator from Missouri.

Mr. DONNELL. I understood the Senator to say that an injunction issued upon request of the Attorney General. Is it not a fact that although the Attorney General is the one who petitions the court, the injunctions issues only if the court shall find that the threatened or actual strike or lock-out affects the national health or safety?

Mr. LUCAS. That is correct.

Mr. DONNELL. Is it not true that under the Taft-Hartley law an injunction is issued only if the court finds that the facts justify it?

Mr. LUCAS. The Senator is correct. But, at the same time, it is the Attorney General who sets in motion the machinery for action.

Mr. DONNELL. That is certainly true; but the injunction does not issue simply upon the request of the Attorney General.

Mr. LUCAS. No; I agree with the Senator as to that. The power of the Federal court, the moment a temporary injunction is issued by the court, upon the request of the Attorney General, to enforce, under penalty of contempt of court, a requirement that the parties continue or resume operations during a pending settlement of the dispute, becomes an extremely important question affecting honest, faithful, collective bargaining upon the part of all parties to the dispute. Why do I say that? Mr. President, it is common knowledge that time is of the essence to the union or to the laboring men in a labor dispute wherein resort to economic force becomes the only available means for breaking a deadlock in negotiations. At the moment an injunction is issued, the strong arm of the court intervenes and helps to break the strike. The strike be broken without the collective bargaining which is now understood to be the law not only under the Taft-Hartley Act, but, better still, under the amendment offered by the able Senator from Alabama [Mr. HILL], which, in my judgment, does much more in the way of mutuality of collective bargaining by the parties to a dispute than has ever before been achieved.

Under the present Taft-Hartley Act there are certain rigid standards laid down with respect to bargaining around the table. Under the Hill amendment, which has been adopted by the Senate, individuals for the first time in the history of real collective bargaining are able to sit around the table and discuss and dispute without the slightest question of being haled before the National Labor Relations Board because they may have violated some act while the discussion is proceeding around the table in good faith. Under the Hill amendment all parties must in good faith honestly bargain around the table. No employer,

no labor union leader, will have an advantage if the Hill amendment shall become the law of the land.

Mr. President, where a temporary injunction has been issued, if workers resist a court order in any way, they are subject, as I said before, to fine for contempt. I undertake to say once more, I reiterate, that the moment the law steps in and places its strong arm on the parties in a way of a temporary injunction, just that moment honest collective bargaining around the table ceases; collective bargaining breaks down, and as a practical matter the equivalent of individual bargaining takes place.

The question of injunctions has been reviewed over and over again by distinguished and able Members of this body as injunctions issued prior to 1932, when the Norris-LaGuardia Act became the law of the land. I shall not burden the Senate by going over what happened prior to that time, other than to say that every Senator knows that prior to 1932 we had in this country government by injunction. We know how notorious injunctions became, so far as the laboring man was concerned, and how difficut it was previous to that time for a union or a laboring man to get equity and justice and fairness in the courts of the land. Everyone recognized that, and it was under a Republican administration, with the great George Norris leading the way in the Senate, and Fiorello LaGuardia leading the way in the House, that the act was passed which provided that unions would not be subject to injunctions in labor disputes.

That was the law of the land until about 2 years ago, when another Republican Congress repealed in part what the Republican Congress did in 1932.

It seems to me, Mr. President, that the Taft-Hartley law went too far. I think that is admitted at the present time by even its author himself.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Ohio.

Mr. TAFT. I have no admission to make about this particular national emergency section going too far. It seems to me there are some corrections to be made, but I do not think it went too far in any respect in this particular, and I have not said so at any time.

Mr. LUCAS. I am glad the Senator says there are some corrections to be made. He is thinking in the direction in which I am thinking, at least.

I undertake to say that the Senator from Ohio has made an admission that the injunction section of the Taft-Hartley Act has failed, and I will tell the Senate why I make that statement. In the present Taft substitute the distinguished Senator from Ohio has not only repeated what he said in 1947 some 2 years ago, he has also said that in addition to the injunction he wants seizure.

Mr. President, if that is not a confession of weakness on the part of the injunction process, as has been found to be the case during the past 2 years of experience under the Taft-Hartley Act, then I have failed to understand why it was that the question of seizure has been brought in to bolster up or take something away from the injunction features of the Taft-Hartley provisions as they are operating at the present time.

Mr. President, I shall not dwell further upon what happened prior to 1932, but in my judgment the Taft-Hartley Act went too far 2 years ago when it was passed, and the fact that the Senator from Ohio has admitted that some 28 corrections should be made in the Taft-Hartley Act is a pretty good indication that Congress did go too far when it passed that law.

Now, what is the middle-of-the-road approach? The middle-of-the-road approach has been laid down by the Thomas bill, plus the amendments which have been offered on the floor of the Senate—the mutuality of collective bargaining amendment, the free speech amendment, the amendment dealing with financial reports of both labor unions and management, and the non-Communist, non-Fascist affidavit amendment.

Mr. President, if the Senate will strike out the injunction provision of the substitute offered by the Senator from Ohio, leaving the seizure provision as it exists in his amendment, in my judgment we will have gone down the middle of the road, doing the very things which should be done, in other words, taking something from labor, taking something from management, and doing something with which the country as a whole will be satisfied.

In my judgment, Mr. President, it is to the public interest that the injunction feature be defeated. It is to the public interest that we adopt the amendments which have been offered by the group of Senators on both sides of the aisle. It is to the public interest, in view of the fact that the Senator from Ohio admits that he went too far 2 years ago, in a number of concessions which have been made, that the Senate adopt the amendment I have offered and defeat the injunction features which are found in the Taft substitute.

Mr. TYDINGS. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Maryland.

Mr. TYDINGS. May I ask the able Senator from Illinois whether, in the event his amendment shall be adopted, the seizure provision will remain in the Taft substitute?

Mr. LUCAS. The Senator is absolutely correct. My amendment does not touch any part of the seizure provision of the Taft substitute. All it does is to strike out everything concerning injunctions.

Mr. TYDINGS. Does the Senator feel that the seizure provision of the Taft proposal is not dissimilar to the seizure proposal offered by the colleague of the Senator, the junior Senator from Illinois [Mr. DOUGLAS]?

Mr. LUCAS. We have discussed that, and I think the junior Senator from Illinois will agree with me that there is not enough difference between the two even to justify offering his as a substitute for the Taft amendment dealing with the seizure provision.

Mr. TYDINGS. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. TYDINGS. Should the proposal offered by the able Senator from Illinois be adopted, then in the event of a national emergency or a threatened national emergency the President would have, under certain circumstances, if he desired to use it, the power to seize and operate the plant?

Mr. LUCAS. The Senator is correct.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Missouri.

Mr. DONNELL. I understand the Senator from Illinois to indicate that the seizure provision of the Taft amendment and that of the amendment of the Senator from Illinois [Mr. DOUGLAS] are substantially the same in effect. Is that correct?

Mr. LUCAS. I have analyzed the two amendments, and it is my opinion that there is no great fundamental difference between the two. I would rather have my colleague from Illinois [Mr. DOUGLAS] or the Senator from Vermont [Mr. AIKEN], who are the authors of that amendment, discuss that question, if the Senator from Missouri feels that there is any serious fundamental difference.

Mr. DONNELL. The point I want to address to the Senator by my question is this: The Senator from Illinois [Mr. DOUGLAS] and also the Senator from Vermont [Mr. AIKEN] stated here, in fact asserted, I should say, affirmatively, or certainly conceded on the floor of the Senate, that under their amendment injunctions would lie, because of the fact that the Government takes possession under their seizure provision. Does not the senior Senator from Illinois, who is now on his feet, agree that that is the effect of the Douglas-Aiken amendment; and therefore does he not agree that if we strike out what he now asks be stricken out of the Taft amendment, the legal effect will still be that injunction can be secured, in view of the admissions the Senator from Illinois and the Senator from Vermont have made with respect to their amendment?

Mr. LUCAS. I do not think there is any question that injunction is incidental to the Douglas seizure provision. That has been agreed to over and over again on the floor of the Senate. Certainly there is no question about the injunction being proper under the seizure provision offered by the Senator from Ohio.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. DONNELL. That is to say, Mr. President, the senior Senator from Illinois, as I understand, concedes therefore that although he is attacking and seeking to strike from the Taft amendment all provisions for injunction, nevertheless after he has gotten through striking them out, the provision for injunction still remains implied in the Taft amendment, and could be asserted in full force and effect?

Mr. LUCAS. I will say that the procedure under the two amendments is entirely different, and the Senator knows the procedure is entirely different. There is a difference between the Taft injunction feature and the Douglas seizure feature.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to my colleague.

Mr. DOUGLAS. I should like to ask my colleague from Illinois if it is not true that when the Lucas amendment is put to a vote the issue will then be directly between those who believe in getting injunctions to send men back to work for private employers, and on the other hand those who do not; and those who vote against the Lucas amendment will be voting for the injunction to send men back to work for private employers; is not that true?

Mr. LUCAS. My colleague from Illinois is correct, and he has made the distinction clear in the debates over and over again on that question. I contend that the distinction is a vital one, and one which cannot be overlooked, and one which we are not overlooking in this debate.

Mr. DOUGLAS. Mr. President, will my colleague yield further?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not also true that if the Lucas amendment should be adopted, with the seizure provisions in the Taft substitute still included, if anyone then objects to the seizure provisions in the Taft substitute he can at that time vote against those provisions, and that the issue of seizure need not be brought in at this moment to confuse and muddle the discussion? At the moment the issue is whether we are for injunctions or whether we are against them—the question of seizure can be treated later.

Mr. LUCAS. The junior Senator from Illinois is absolutely correct.

When I began the present debate I made the reservation that I was not going to be dragged off this trail into the seizure proposition, because, after all, the sole issue before the United States Senate is very clear. As I said before, it is whether or not we are for the injunction or whether we are against the injunction as provided for in the Taft substitute.

Following what my distinguished colleague has said, I should like to make this statement: It is true, of course, that the injunction was not placed directly in the hands of private employers, but under the Taft-Hartley Act the Federal Government has been forced to underwrite the private employer by securing an injunction for him while the enterprise remains in private hands. That is the exact effect of the 80-day injunction under the emergency provisions of the act.

It is my contention that during the 80 days there is no cooling-off period. During the 80 days there is a warming-up period, if you please, instead of a cooling-off period, as I see the situation. In other words, at the end of 80 days there is absolutely nothing the Government can do with respect to an injunction in order to keep men working and keeping the plant operating. After the 80 days have passed we are right back where we started.

I agree with the Senator from Ohio who said the other day that there is no answer to the question of what is a proper legislative act to control national emergencies. But insofar as the injunction feature is concerned, that is the one thing that should go out of this bill. Let us go back, if necessary, and adopt the Taft seizure provision, which would do probably as much good and perhaps more, insofar as public relations are concerned between labor and management, and insofar as the public interest as a whole is concerned.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MORSE. I should like to say, prefatory to my question, that the junior Senator from Illinois has, as usual, made another very fine contribution to the debate. I think he is quite right. The question as presented will give us an opportunity to vote on whether or not we favor the injunction. But I do not think, may I say with great respect to the junior Senator from Illinois, that the alternative is quite as black or white as he points out. It does give us a chance, if we vote for the Lucas amendment, to register once again our opposition to the injunction concept. But I think we need to keep in mind that we cannot eliminate, as the Senator from Illinois, as I understand him, would have us eliminate, from our consideration when we cast our vote, the effect of the retention of seizure. We had better recognize when we vote on the Lucas amendment, that those of us who are against injunctions will register our protest against the use of injunctions for this period of time, as the junior Senator from Illinois says, in respect to those cases where the injunction might be obtained to send men back to work for private employers. But the evil of the injunction, I say, is still as serious when we are dealing with a Government seizure in a fact situation, where an employer, through strategy, has been able to get a seizure in order to have the Government on his side of the table, knowing that his chances then are pretty good to secure an automatic injunction.

I may say to the senior Senator from Illinois, that so long as the seizure is retained, unless some such safeguards are put around it as those for which I pleaded in vain in the Senate, there is no way of preventing the Government from obtaining an injunction, under the United Mine Workers case. So when Senators vote on the amendment of the Senator from Illinois they are voting against injunctions only as to certain types of cases. Let us recognize that the Senator's amendment itself carries along with it injunctions under Government seizure.

Mr. DOUGLAS. Mr. President, will my colleague yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. I hope my colleague will permit me to say in reply to the Senator from Oregon that after we knock the injunction features out of the Taft proposal, then he can knock out the seizure proposals. But let us take one step at a time.

Mr. MORSE. Will the Senator support me?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. In a moment. I think in further answer to the Senator from Oregon I should say that, once injunctions have been removed from the Taft amendment, we will have an opportunity to do what he says when we vote finally on the Taft amendment as against the original Thomas bill.

I now yield to the Senator from Florida.

Mr. PEPPER. Mr. President, the arguments made by the able Senators from Missouri and Oregon with respect to injunction inevitably following, do not necessarily apply in the case of the Taft amendment, as I see it, if the seizure provision should be retained in it. I hope that once we get rid of the injunction, we may get rid of seizure and go back to the Thomas bill. Let it be remembered that in the coal case there was not only seizure by the Government under a statute which permitted seizure, but there was also a contract which had not expired, and the Court found that the contract had not expired. So it can be said, in a way, that the breach of a contract was effectively enjoined.

The breach-of-contract principle would not apply if the workers simply did not resume work at the expiration of a contract—for example, at the end of the contract year. So the principle of the coal case does not mean that it inevitably follows that there is an injunction under the Taft type of seizure, if the express injunction permitted is stricken.

When the Attorney General gave his opinion to the committee that in case of national emergency the President had the power of seeking an injunction in the courts, he made reference to the language in the Thomas bill, which, after the Presidential proclamation, makes it the duty of the workers not to cease work, or, if they have ceased work, to resume work. There is a statutory provision by the Congress defining a duty. The Attorney General thought, as I interpreted his opinion, that the Court might well be resorted to by the Chief Executive in the instance of a national crisis, to require the performance of a duty imposed by law.

There is no such duty imposed in the Taft substitute, so it does not at all follow that inevitably there is an injunction. In fact, I think the contrary is the effect. If we strike out the express power to seek an injunction under the Taft amendment, it makes it very clear to the Court that Congress intended to strip that provision from the amendment. I think, therefore, that if we get rid, by express amendment, as the Senator from Illinois attempts to do, of the injunction feature of the Taft amendment, we may have our opinions about the right of seizure, but I do not think it at all inevitably follows that injunction would follow from the seizure which might be left in the Taft amendment.

Mr. LUCAS. I thank the Senator for his contribution, which I think is notable and worthy.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAPEHART. Is it not a fact that a vote against the amendment of the Senator from Illinois is a vote to retain seizure?

Mr. LUCAS. I do not know what the Senate will do.

Mr. CAPEHART. A vote against the Senator's amendment is a vote to retain seizure, is it not?

Mr. LUCAS. I would not say that. It is a vote to retain the injunction. A vote against my amendment is a vote to retain the injunction features of the Taft substitute.

Mr. TAFT. The seizure feature.

Mr. CAPEHART. The seizure feature.

Mr. LUCAS. No. If the Senator votes against the amendment which I have offered, I will say to my good friend from Indiana that he is voting for retaining the injunction features in the Taft substitute. There is a seizure provision. There is also an injunction provision. As I read the Taft substitute, the President can use seizure, or he can use the injunction, or he can use both. What I am trying to do by my amendment is simply to strike out every line, every word, every syllable, and every paragraph dealing only with injunction.

Mr. CAPEHART. But retaining the seizure provision.

Mr. LUCAS. It will definitely be retained unless another amendment is offered to strike it out. We cannot cross that bridge until we come to it.

Mr. CAPEHART. Is it not a fact that when we voted down the Douglas amendment yesterday we voted down the seizure provision?

Mr. LUCAS. I would not say that. I do not think that was a fair test. Many Members on both sides of the aisle voted for the Douglas amendment, and many voted against it. When we try to line up the political philosophy on labor legislation of some of the Senators who voted against the Douglas-Aiken amendment, it is a little difficult to determine just how they got together.

Mr. CAPEHART. I intend to vote against the Senator's amendment, and I intend to vote against the Taft amendment. I voted against the Douglas amendment.

Mr. LUCAS. If the Senator is going to vote against my amendment, he will be voting for injunctions.

Mr. CAPEHART. I am going to vote against the Senator's amendment. Then I am going to vote against the seizure amendment, when that is offered. I voted yesterday against the Douglas amendment. I am in favor of permitting the President of the United States to handle the question.

Mr. LUCAS. I hope the Senator will orient himself properly on this question. I do not mean to say that he has not done so. He indicates that he wants to vote against the injunction, but he is going to do just the opposite. He wants to vote against the injunction, but he says that he is going to vote against my amendment.

Mr. CAPEHART. I want to be just as fair to business as I am to the unions. I am not going to be put in the position of voting for the amendment of the Senator from Illinois. I am against the seizure provision, and I am against injunctions. I am for permitting the President of the United States to handle it.

Mr. LUCAS. If the Senator is against injunctions, he must be with me. He cannot be against me. I plead with my good friend from Indiana to look the situation over before he finally casts his vote.

Mr. CAPEHART. Why does not the Senator offer his amendment on the basis of striking out both the seizure provision of the Taft amendment and the injunction procedure? Why take it one step at a time?

Mr. LUCAS. Because I am for seizure.

Mr. CAPEHART. I am against it. I am against the injunction, too.

Mr. LUCAS. I am glad that the Senator from Indiana made that last statement, because he is on record in this debate three or four times as against injunction. If he is against the injunction, he must vote with me on this amendment, or he will be misunderstood from now until the end of time.

Mr. CAPEHART. I may be misunderstood, but I will be fair.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I am deeply impressed with the remarks of the Senator from Indiana. I think we ought to accommodate him in terms of his desire to vote. I wish to emphasize the fact that there are those of us who feel that the Senator from Indiana can be properly accommodated. I wonder if the Senator from Illinois would agree with this statement: As he pointed out, the issue now before the Senate is quite clear. Do we believe in injunctions in labor disputes, or do we not? If the amendment of the senior Senator from Illinois, the majority leader, is adopted, then the issue before the Senate will be whether or not the Thomas bill should be amended by a seizure provision. The Senator from Indiana will then have the opportunity to vote for or against seizure, by voting upon an amendment to the Thomas bill.

Mr. BALDWIN. Mr. President——

Mr. HUMPHREY. If I may continue, this issue should not be beclouded by those who want to becloud the issue. Frankly, the issue is crystal clear. We are not denied the opportunity of voting in this body. We can vote all day on as many amendments as may be offered. The question is, Are we for injunctions or are we against them? The Senator from Minnesota is against them, and is going to support the amendment of the Senator from Illinois.

The next issue is——

Mr. BALDWIN. Mr. President——

The VICE PRESIDENT. The Chair feels it his duty to admonish Senators that he thinks the debate on this bill has gone far enough to justify the Chair in enforcing the rule of debate that Senators may yield only for questions, and not for statements or long debate.

The Chair has no desire to embarrass, handicap, or restrict any Senator. The Chair did not make the rule. As we all know, it is frequently relaxed into what Grover Cleveland called "innocuous desuetude," which means harmless disuse. The Chair feels that the rules of the Senate ought to be observed, so as to facilitate as much as possible the consideration of business in the Senate. The Chair feels that that can be accomplished by better observance and enforcement of the rule.

Mr. TOBEY. Mr. President, a parliamentary inquiry.

Mr. LUCAS. Mr. President, I agree with the distinguished Vice President that we should observe the rules of the Senate.

The VICE PRESIDENT. It is always within the control of a Senator who has the floor to yield for a question; and if it is not a question he may abruptly terminate the yielding, instead of permitting a long debate across the aisle among various Members of the Senate. The Chair is seeking only to facilitate consideration of this important legislation, which has been before the Senate for nearly 3 weeks, and which, according to the progress we are making, will be here for another 3 weeks.

Mr. TOBEY. Mr. President, will the Senator yield for a parliamentary inquiry?

The VICE PRESIDENT. The Senator cannot yield for a parliamentary inquiry. He can yield only for a question.

Mr. LUCAS. Mr. President, while I wholeheartedly agree with the distinguished Vice President, yet it is a little difficult to follow his advice and terminate one of these debates abruptly when I am pleading so hard for votes. [Laughter.]

The VICE PRESIDENT. The Chair understands that. What the Chair meant was that every Senator knows, when he yields to another Senator, whether he is being asked a question, or whether he is being compelled to listen to a speech. In the latter case, he knows when to stop yielding.

Mr. LUCAS. Mr. President, I yield to my friend from New Hampshire [Mr. TOBEY] for a parliamentary inquiry.

Mr. TOBEY. Mr. President, this question is addressed to the distinguished Vice President. In view of his admonition a moment ago, and also in view of the confusion in the Chamber on this much mooted question, are we not reminded of the title of the old song, The Music Goes Round and Round and Comes Out Where?

The VICE PRESIDENT. The Chair thinks the correct quotation is:

> The music goes 'round and 'round,
> And it comes out here.

[Laughter.]

Mr. LUCAS. Mr. President, I shall decline to yield for any more of these musical parliamentary inquiries.

Now I yield to my good friend the Senator from Connecticut [Mr. BALDWIN] for a question.

Mr. BALDWIN. Is this amendment a question of whether one is for or against injunctions in labor disputes, or is it not a question of whether we are in favor of giving the President of the United States authority to go into a Federal court and ask for an injunction in a strike or a lock-out that involves the national health and safety? Is not that the question, rather than the broad question which has been stated here?

Mr. LUCAS. I would say that is an element to be considered, but I say the basic, primary question is the one which

has been stated with respect to the injunction.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. If a Senator wishes to vote against the use of the injunction, why does not he wait and vote against my amendment? My amendment is the only one which has in it provision for use of the injunction.

Mr. LUCAS. That is why we are trying to take it out.

Mr. TAFT. My amendment is the only one that provides for the injunction. I am quite willing to vote in the way that will be required because of the presentation of the Lucas amendment; but it seems to me that any Senator who is not simply trying to avoid the use of the word "injunction" would accomplish his purposes by voting against my amendment when it comes up for a vote; and I am quite willing to stand on that basis.

However, I am delighted——

Mr. LUCAS. Let me ask the Senator, What is the question?

Mr. TAFT. I wish to know whether the Senator from Illinois does not feel that the best way to vote against the injunction is simply to let this amendment be withdrawn, and then vote on my amendment. That is my question.

Mr. LUCAS. No; I answer that question categorically in the negative, or else I would not be on my feet at the present time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Minnesota for a question.

Mr. HUMPHREY. In view of the speech I was giving, I should like to ask a question: Is it not possible that following the vote on the injunction, the Members of this body who are deeply concerned about seizure which may be interpreted as being unfair to the employer will have their opportunity to vote on that question when the seizure portion of the amendment proposed to the Thomas substitute comes up for a vote?

Mr. LUCAS. The Senator is correct; such Senators would have their day or their days in court when the question comes up on that point.

We are now dealing only with the part of the Taft amendment relating to injunctions, and when we cast our votes we shall be voting only on the question of whether we favor injunctions under the Taft substitute.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield for a question.

Mr. DONNELL. I ask the Senator from Illinois whether he proposes, anywhere in his amendment, to strike out or prevent seizure.

Mr. LUCAS. No; I have said that again and again. In my amendment I do not touch the seizure clause in the Taft substitute.

Mr. DONNELL. In other words, the amendment of the Senator from Illinois would leave in the seizure clause; would it?

Mr. LUCAS. That is correct.

Mr. DONNELL. It is likewise true, is it not, that the Douglas-Aiken amendment would permit seizure?

Mr. LUCAS. That is correct.

Mr. DONNELL. Does the Senator from Illinois agree with the following two statements made by the authors of the Douglas-Aiken amendment—reading now from page 7813 of the CONGRESSIONAL RECORD for June 16:

> Mr. AIKEN. I think it goes without saying that the employer does not want his plant seized. The difference between the Taft amendment and the Douglas amendment is that the Taft amendment provides that the President may use injunction or seizure, whereas the Douglas amendment provides that the President may use seizure, and, I assume, injunction, if necessary, after seizure.
>
> Mr. DOUGLAS. That is correct, but he could only use injunction if seizure did not work. He could not use it to force men back to work for the private project of private employers. But we do not believe it would be necessary to use the injunction after seizure.

Does the Senator from Illinois agree with those statements by the authors of the Douglas-Aiken amendment?

Mr. LUCAS. I think I do, generally speaking; but I should like to make this reservation: In view of the way the question was put, I think it should have been answered somewhat differently. It seems to me we are talking about two different things. In the Taft substitute there is a provision for injunction and also provision for seizure, as to which the injunction is incidental. In other words, under the Taft substitute it is not necessary to have seizure in order to have an injunction. But under the seizure provision—either the one in the Taft substitute or the one which was in the Aiken-Douglas substitute—it is necessary to have seizure before there can be an injunction.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. DONNELL. I take it that the Senator from Illinois agrees with me, does he not, that after he succeeds, if he does, in securing the adoption of his amendment, thus striking out the injunction provision in the Taft amendment, the very fact that the provision for seizure remains will still leave the injunction permissible to be secured by the President and, as the Senator from Ohio has said, for perhaps an indefinite period, not limited by any time. Is not that correct?

Mr. LUCAS. Only after seizure and only for the duration of seizure.

Mr. DONNELL. Yes; but it still would leave the power of the President, after seizure, to secure an injunction. Is that correct?

Mr. LUCAS. If my amendment is adopted, it will leave the seizure provision just as it is in the Taft substitute; and the Senator from Missouri knows better than does the Senator from Illinois what that seizure provision means. I am not discussing that provision at the present time. I think I know what it means and I think I know what the seizure provision offered by the distinguished Senator from Illinois [Mr. DOUGLAS] and the distinguished Senator from Vermont [Mr. AIKEN] means, but I am not going to be dragged into the seizure alley until we dispose of this first question. Then I will debate seizure with the Senator all afternoon, if necessary.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. Yes, but I do not want the Senator from Missouri to seize me.

Mr. DONNELL. I ask the Senator this question: Does he not agree with me that if the authors of the Douglas-Aiken amendment are correct in saying that the seizure provision contains, as an incident thereto, the power to secure an injunction, then it follows inevitably that if the Lucas amendment is adopted, the injunction will still be left in the bill, notwithstanding the attempts of the Senator from Illinois to eliminate the injunction?

Mr. LUCAS. Oh, yes; but it will be left in as incidental to seizure. However, I undertake to say that in 95 or 98 percent of the cases the injunction would never be used with seizure, whereas in the Taft substitute and in the present Taft-Hartley law the injunction comes first, and following that an attempt is made to settle the difficulty. But during the cooling-off period, as I said a moment ago—a period which in my judgment is a warming-up period—the results which should be accomplished are not accomplished, under that law. The very fact that the Senator from Ohio places seizure alongside the injunction in his amendment is an indication to me that he did not believe the injunction was working properly in the case of national emergencies, and so he went one step further and placed the seizure provision in his proposal.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not true that if the Lucas amendment is adopted, thus eliminating from the Taft substitute injunctions by which the men would be sent back to work for private employers, is will then be possible for a Senator who objects to seizure to prepare a separate amendment eliminating seizure from the Taft proposal; and if that carries, we shall be back to the original Thomas proposal?

Mr. LUCAS. Of course the Senator is correct, from a parliamentary point of view.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Does not the Senator from Illinois feel that a vote in favor of his amendment will be the same as a negative vote on my amendment, and that the vote on one of them might just as well be taken immediately after the vote on the other?

Mr. LUCAS. No.

Mr. TAFT. Because so far as I can see—and does not the Senator from Illinois agree—his amendment is merely one method of killing the Taft amendment.

Mr. LUCAS. It may be one method of killing it, and if I can kill it, that is what I want to do.

Mr. TAFT. I mean to say, a vote in favor of the Lucas amendment will have

precisely the same effect as a vote against the Taft amendment itself.

Mr. LUCAS. No; I would not say the effect would be the same. They are two separate propositions.

Yesterday a Senator said to me, "If you have an amendment striking out both injunction and seizure, I will vote for it."

Mr. TAFT. That is the Ives amendment, I assume, which was rejected yesterday by a considerable vote.

Mr. LUCAS. Yes; but I mention that fact to indicate that I cannot agree with my distinguished friend the Senator from Ohio, much as I would like to do so.

Mr. PEPPER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Florida?

Mr. LUCAS. I yield.

Mr. PEPPER. I should like to invite the attention of the Senator to what would be section 405 under the Taft amendment, and to make an inquiry about it. I read from page 91 of the minority views, which contains the Taft amendments I think accurately. This is a carry-over of an identical provision, if I understand correctly, which is in the Taft-Hartley law at the present time:

> Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

My question is—and I should also be pleased if the Senator from Ohio will attend the inquiry—does not the Taft provision with respect to injunction for all practical purposes constitute something inconsistent with the harsh declaration I have just read, which is section 502 of the Taft-Hartley Act and which would be section 405 of the Taft amendment? The Senator from Ohio in his amendment, after the proclamation, authorizes the President, through the Attorney General, to file a petition in the district court of the United States having jurisdiction of the parties to enjoin such strike or lockout, or the continuation thereof. Is it not the purpose of it, if it means anything at all, to give the courts the power to make men work against their will or, if they quit work, to make them go back to work without their consent, when the declaration I read a while ago was that that would not be required of the worker?

Mr. LUCAS. Let me say to my able friend that I have not carefully analyzed or examined the provision to which he has referred; but if I caught the language correctly, I am inclined to agree with his conclusion.

Mr. PEPPER. The reason I ask the question—and I ask the Senator to allow me to give this justification of the inquiry—is that in the hearings before the committee there were some apparent doubts as to whether the language I have just read, about not making a worker work against his consent, did not prohibit actually enjoining a strike. Some people thought the truth was that the Taft-Hartley bill really did not mean anything. I only wanted the Senator from Ohio to make it clear to us. His injunction amendment either means something; and it does give the court the power, if the men quit work, to put them in jail, if the court so orders, when the President proclaims the emergency, and the Attorney General brings action for injunction, or the court can put them in jail if they do not go back to work, once they have quit work after the proclamation in a national-emergency case and after the application of the Attorney General for an injunction is granted. I thought we were entitled to know whether the Senator from Ohio really means to give the power to prevent men from stopping work, or, if they quit work after the proclamation, to compel them to go back to work, by imposing upon them the usual contempt penalties, or whether it is merely a gesture implying that it means something, whereas actually it does not mean anything at all because of the other section I have described.

Mr. LUCAS. I do not think there can be any question that the Senator from Florida is correct. I think the court would have the power to force the men back to work during the cooling-off period.

Mr. PEPPER. If the Senator will yield further, is it his understanding, and does he think that those who have read about this injunction provision understand, that the author of it really intends to confer upon the courts the power to put men in jail if they quit work after the Presidential proclamation, or if they do not go back to work after the Presidential proclamation is issued?

Mr. LUCAS. I am unable to say what the author intends, but I believe that is what the amendment means. I do not think there can be any question about it. That is the thing with which I thoroughly disagree. I return to the point I made a few minutes ago with respect to the period of 80 days, known as the cooling-off period. During that time, under the provisions of the Taft-Hartley law, or under the provisions of the Taft substitute, it is not a cooling-off period for the laboring man, who has the strong arm of the court around his neck all the time. It is not the proper atmosphere for what we are all hoping finally to find, and that is an atmosphere of honest, true, and faithful collective bargaining on both sides of the table. The greatest disadvantage to the laboring man in collective bargaining when he sits around the table during the cooling-off period and begins to bargain with the other party, is the realization that the long arm of the Federal court is around his neck. What happens? He goes through the motions. He does not do any collective bargaining. He will wait until the period of 60 or 80 days is over, and then he will do as he pleases, strike, or anything else, because he then becomes, so to speak, a freeman again, free from the shackles of the court.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the senior Senator from Illinois yield to the junior Senator from Illinois?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not also true that, once an injunction has been obtained against a union, the union is stigmatized in the popular mind as being at fault in the dispute, and therefore public opinion is marshalled against the union, even though later the injunction is dissolved? And is it not true that in effect therefore the injunction builds up public opinion against the union, and does not merely try to maintain the peace?

Mr. LUCAS. I think the Senator is correct, but I want to make one other point, and then I am going to finish.

Mr. President, we are talking about national emergencies, about the health, safety, and security of the Nation being threatened. I undertake to say that when the time comes that a dispute threatens the safety and security of the Nation the men on both sides of the bargaining table should not be forced to proceed under a single handicap, if it is desired to settle the dispute in the really American way. The injunction terrorizes men who are compelled to sit around the table and deal with management in a national emergency. They do not have the free will and the power they should have to deal with a great question of that kind.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Ohio?

Mr. LUCAS. I yield.

Mr. TAFT. Does not the Senator feel that the real reason the labor-union leaders are against the injunction is that it is the only thing which can make them consider the public interest in national-emergency strikes? Is not that the real reason why labor-union leaders are opposed to this kind of injunction? Do they not want to be free from any legislative restraint whatever? Do they not want to be free to exercise that freedom against the people of the United States, to enforce their selfish individual demands? Is not that the reason they are against the injunction?

Mr. LUCAS. I regret to disagree with my distinguished friend in his conclusion. I cite the Railway Labor Act, in response to his inquiry. There are no injunctions under the Railway Labor Act. The authors of the Taft substitute saw fit to exempt all railway employees under the Railway Labor Act.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. In a moment.

Mr. TAFT. Is the Senator familiar with the injunction issued against the railroad labor leaders last year by Judge Goldsborough?

Mr. LUCAS. Yes.

Mr. TAFT. The labor leaders apparently, I think, were very glad to have it issued, as a matter of fact, in order to avoid the necessity of carrying out their threat of a strike, which they really did not want to do.

Mr. LUCAS. That was under seizure. It was not a court order directing men to work for a private employer under

threat of a jail sentence. That is what I am talking about when I say that injunction under seizure, as under the Douglas-Aiken amendment is a very different thing from injunction when the plant is in private hands, as under the Taft substitute.

Mr. TAFT. But it was an injunction.

Mr. LUCAS. Yes.

Mr TAFT. The Senator heard no great protests against that injunction.

Mr. LUCAS. It was seizure by the Government. The injunction was incidental to the seizure. That is the distinction I am making. The Senator cannot tell me that men who are sitting around a collective-bargaining table in a great national emergency will not act more like human beings, in a calm and sober way, with the Government holding the plant as the result of seizure, than they would if the court issued an injunction in the first instance. That is the great distinction which we have been trying to make all the way through the debate. It is an important distinction. It is a very proper distinction, in view of what has happened in the past with respect to irresponsible courts issuing injunctions against unions right and left upon the most frivolous pretext. The records are replete with injunctions of that character. Is it any wonder that the laboring man, even at this late hour, even though we have come a long way with respect to better courts, is still wondering whether he may not be placed in a hazardous position as the result of an injunction?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. PEPPER. The Senator from Ohio says an injunction was sought against railway labor in the past, but the Senator from Illinois is aware, is he not, that the title III amendment of the Senator from Ohio expressly provides that the provisions with respect to seizure or injunction shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

Mr. LUCAS. Yes. It has been pointed out over and over again in the debate, and there is no answer other than the fact that those who drew the Taft substitute recognized the fact that over a long period of years those who handled railway disputes have been able to settle them amicably and fairly without the injunction method. That is the real reason railway labor was omitted from the provisions of the Taft-Hartley law. Senators on the other side of the aisle and on this side of the aisle who strenuously and continuously argue for the injunction apparently overlook the fact that the Railway Labor Act has no injunction features in it at all.

Mr. President, following the same line of thought we have been discussing, I wish to say that a necessary result of this approach is once more to deprive the union of its most effective bargaining force. Yet at the same time the law tells the employer and the union to go on bargaining in the hope of reaching a settlement during the 80-day injunction period, during a period when both parties know that the union can do nothing to lend force to its demands comparable to the power of the large corporation to hold out. It appears to me, and as other distinguished Senators have indicated, the practical result is for the union to withdraw from any serious negotiations during the injunction period.

That is the truth of the matter, and that is what worries me. How can a union seriously negotiate in a national emergency with an injunction hanging over its head? It cannot do so. It is shackled; it is tied by the law, and is subject to contempt of court if it gets out of the way a little bit. If a plant is seized by the Government, the workingman goes in as a free man, knowing that no injunction will issue until something really serious happens. He goes in on equal terms with the management. He has no shackles placed upon him such as the Taft injunction would place upon him.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Ohio.

Mr. TAFT. Would he not be under exactly the same shackles if seizure has taken place? Would not the shackles be the same?

Mr. LUCAS. The great difference, as has been pointed out over and over again, is that in one instance he is dealing with the Government, and in the other instance he is dealing with the private employer. He knows that in instances in which the Government seizes plants 99⅔ percent of the cases will be settled without having any injunction issued. Under the Taft substitute injunction is imperative from the very beginning.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. TAFT. There is a provision in my substitute that employees cannot negotiate with the Government. The Government is forbidden, under the terms of the Taft substitute, to negotiate. That is left to the employer and the employees. I do not think it will discourage collective-bargaining negotiations in any way.

Mr. LUCAS. The Senator from Ohio is a very able lawyer, a very distinguished gentleman, and one of the leaders of the Senate. We probably would not agree if we debated this very important point the rest of the afternoon. I merely wish to repeat that the record shows that men do not bargain effectively when an injunction forces them to work for a private employer.

I have presented this matter, and I want to conclude by stating once again, as I started out, that the issue is clear-cut, clearly drawn, so that there can be no question about it. The people of America will know where their Senators stand on this issue, whether they are for or against the injunction. It is something which even a laboring man in my section of the country will thoroughly understand when he reads the newspaper and sees what has happened.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. HOLLAND. I was very much interested in the Senator's observation to the effect that injunctions had been granted by irresponsible courts. Is it the contention of the able Senator from Illinois that any of the six injunctions granted under the emergency features of the Taft-Hartley Act were granted by irresponsible courts?

Mr. LUCAS. I do not say that. I have been talking primarily regarding injunctions in the early days when we had government by injunction.

Mr. HOLLAND. Since the Attorney General has chosen courts of the very highest standing in which to bring the six proceedings brought during the past 2 years, does the able Senator have any reason to think that the Attorney General will go to irresponsible courts in the future, if the same provision is continued as a part of the law?

Mr. LUCAS. I cannot tell what the Attorney General will do in the future, any more than can the Senator from Florida tell what I will do in the future.

Mr. HOLLAND. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. HOLLAND. Do I correctly understand that the able Senator is unwilling to trust the Attorney General to apply to responsible courts if occasion shall arise in the future?

Mr. LUCAS. I think I would trust the President of the United States and the Attorney General as much as would any Senator on the floor, or I would not be in the position which I occupy.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. HOLLAND. The Senator's allusion, then, to irresponsible courts had to do entirely with a situation obtaining prior to the passage of the Taft-Hartley law. Is that correct?

Mr. LUCAS. I was speaking primarily of the Wilkerson episode in my section of the country. I think the Senator is familiar with it. I do not want to go into it further, because it has been discussed over and over again.

Mr. HOLLAND. Was the Senator's statement with reference to irresponsible courts meant to apply entirely to cases brought before the passage of the Norris-LaGuardia Act?

Mr. LUCAS. I referred to cases leading up to the time when the Norris-LaGuardia Act was passed. The Senator well knows that the reason why that act was passed was the existence of the very thing I am talking about. The courts were not fair. The Senator will agree they were not fair if he reads the history of injunctions. He knows a temporary injunction could be obtained on almost any kind of a pretext, on an ex parte hearing, or without any hearing at all. Sometimes a temporary injunction lasted for weeks before it was made permanent or was dissolved. All that time the individual who was caught by the injunction was suffering. It was that type of suffering which finally brought on the Norris-LaGuardia Act.

However, I wish to point out further that, as stated many times by the distinguished Senator from Oregon [Mr. MORSE] once the Attorney General requests the emergency injunction, no matter how responsible the Federal courts

may be, the judges are prone to issue the injunction without much ado.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. LUCAS. I yield.

Mr. HOLLAND. Is the Senator of the opinion that the labor leaders, and the laboring people of this Nation, are not sufficiently intelligent to distinguish fully between the type of injunction of which the able Senator has been speaking, which was sometimes used prior to the passage of the Norris-LaGuardia Act, and the type of injunction provided under the Taft-Hartley law, under which only the Attorney General of the United States, only after direction of the President of the United States, based upon the findings of an emergency board, would have the authority to go to a court in an appropriate jurisdiction to ask for an injunction, and then only in protection of the public of the United States against a calamity which, in the judgment of the President, was about to happen, and which constituted a serious threat to the national health and welfare?

Mr. LUCAS. I think I have covered that before. I know how labor leaders dislike injunctions, and I know the reason why. The injunction about which the Senator is talking has not been very effective. One would think it was a cure-all for all the evils which exist in a national emergency. The truth of the matter is that it has not done very much good, even though the Attorney General has requested the injunction. We can take the statement of the Senator from Ohio himself, and I shall read it:

> Senator TAFT stated that the emergency injuction "has been used by the President some five or six times in the 2 years since the passage of the Taft-Hartley law. It has been reasonably successful in some cases; in other cases it has not been successful."

Mr. HOLLAND. Will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. HOLLAND. Is it not a fact that in each of the six instances the injunction has performed its major objective, of preventing the shut-down throughout the injunctive period of an industry vitally affecting the public health and welfare?

Mr. LUCAS. No; I am compelled to say that the Senator is not fully informed on the subject if he takes that view, because in the longshoremen's strike, after the 80-day period, the strike extended for a long period. Furthermore, in the atomic energy plant case the injunction lasted for 80 days, and the employees still failed to reach any agreement. It was not the injunction which kept them from striking after the 80-day period. It had the effect of keeping everything going for 80 days, but it did not do any good after that.

Mr. HOLLAND. Is not the Senator confused in his mind between the question of the settlement of the strikes to which he has addressed himself, and the question of the protection of the vital public interest by keeping vital industries open throughout the injunctive period in each of the six instances in which injunctions were issued?

Mr. LUCAS. What does the Senator say about the Railway Labor Act, if he is so much interested in the injunction? None are used under that act and yet workers have never struck during the waiting period.

Mr. HOLLAND. The Senator from Florida will have something to say on that in his own time, but the Senator from Florida has addressed a question to the distinguished Senator from Illinois, and he wants the Senator from Illinois to say if it is not true that the issuance of the six injunctions under the Taft-Hartley Act did in each instance prevent a shut-down of a vital national industry throughout the period covered by the injunction.

Mr. LUCAS. It did not work in those cases. It did not calm anybody's fears, and it did not bring any sober judgment around the bargaining table as a result, because on two occasions I know the workers went on strike the next day.

Mr. HOLLAND. The Senator is getting mixed as to the objectives, I think.

Mr. LUCAS. I am not mixed; the Senator from Florida is mixed.

Mr. HOLLAND. It is not the purpose of the injunction to force a settlement of any kind. It is to protect the public interest by preserving the status quo throughout the injunctive period. I am asking the Senator to say, if he can—and I believe he can—whether it is not true that in each of the seven cases where the injunction was used the public interest was protected throughout the injunctive period by preventing a shut-down of the vital industry which was affected.

Mr. LUCAS. The plants continued in operation during that time, but instead of attempting to get an adjustment in an amicable way, in my humble judgment the injunction interfered with proper and amicable settlement, in the final analysis.

Mr. HOLLAND. The Senator does agree, does he not, that in each case the injunction was respected, and it did prevent or avert a shut-down in each case throughout the injunctive period?

Mr. LUCAS. It was respected, but there was no mutality of collective bargaining around the table during that period of time. It interfered with the proper settlement of the dispute, in my humble judgment, perhaps not in every case, but in the longshoremen's case, which was tremendously important from the standpoint of the public welfare, I know it did not work, and the Senator from Florida knows it did not work. There is no panacea for the national emergency evil.

Mr. DOUGLAS. Mr. President, will my colleague yield?

Mr. LUCAS. I yield to my colleague.

Mr. DOUGLAS. Is it not true that the Senator from Florida has fallen into an inadvertent error when he speaks of seven injunctions having been obtained? There were seven disputes involving national emergency, but in three of those disputes—the meat packing, telephone, and the second coal disputes—no injunctions were asked for, and therefore no injunctions were obtained. In effect there have been injunctions sought and secured in only four disputes—the first coal disputes, the Pacific longshore dispute, the east coast and Gulf maritime dispute, and the atomic energy dispute. So that instead of this broadside of seven disputes which the Senator from Florida has thrown at us, in practice there were only four disputes.

Is it not a further fact, according to the direct testimony of the mediating authorities, that in the West Coast Longshoremen's case the injunction did not avert the strike? The strike, as my colleague has well said, occurred after the 80 days and the same thing was, roughly, true in the east coast and maritime shipping strike. In the dispute involving the atomic energy plant, that was a case where the union was always willing to arbitrate. It was the company in that case which did not want to arbitrate. The union was begging for a peaceful settlement, and after the injunction expired a settlement was readily obtained through the offices of the American Federation of Labor.

So, in practice the seven disputes cited by the Senator from Florida boil down to only one dispute, the coal strike, and no one knows what settled the coal strike. No one really knows whether it was the injunction which settled the coal strike, or whether the fact that the union got its demands settled the coal strike. No one indeed knows whether it was the appointment of a trustee, a very honored member of this body, and the decision he handed down, that settled the coal strike, or whether it was the injunction. I confess that my own mind is somewhat uncertain about that matter. I do not know what settled it. But I think one could make a good case for the contention that it was the appointment of a Senator from the other side of the aisle as trustee, and the decision which he handed down, that settled the coal strike, rather than the injunction.

Therefore has not the Senator from Florida been building his whole case upon a lot of things that are not there?

Mr. DONNELL and Mr. PEPPER addressed the Chair.

Mr. LUCAS. Just one moment.

The VICE PRESIDENT. The Senator declines to yield.

Mr. LUCAS. I wish to take this opportunity of expressing my deep gratitude to my colleague, the junior Senator from Illinois, for his able explanation. My colleague is a member of the Committee on Labor and Public Welfare, and is thoroughly familiar with all the cases which have been cited by the distinguished Senator from Florida. I am sorry the Senator from Florida did not hear my colleague's statement, because I am sure he would have been convinced if he had heard it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Florida.

Mr. HOLLAND. I think I am entitled to make the statement that I did do the Senator from Illinois the courtesy of listening, without asking questions, to the reinforcement which came to the aid of the able senior Senator from Illinois, the distinguished majority leader. My position is exactly the same, and it cannot be answered in other than one way.

I am asking the distinguished Senator again one more question: Is it not true

that in every case under the Taft-Hartley law where the injunction was used, the injunction was observed, and that it served to protect the public interest of the people of the United States against the threatened damage and injury of a shut-down of a vital national industry?

Mr. LUCAS. In both cases I will say to the Senator, according to the testimony of my colleague, there was a cooling-off period of some 80 days; and in two of those four cases the cooling-off period did not work at all. During that 80 days there was no stoppage of work, but at the end of the 80 days something really happened. The strike immediately occurred. My contention is that without the injunction those cases would have been settled before the 80-day period had expired.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I should like to ask the Senator from Illinois if under the Railway Labor Act, which provides for a cooling-off period of 60 days, he can recall of any time since 1926 when the employees have not abided by the voluntary arrangement or agreement, as provided for under the Railway Labor Act?

Mr. LUCAS. I think not. As I recall, 172 cases have been decided under the Railway Labor Act, and they have all been settled amicably, and without any question in the final analysis, by following the rules and regulations laid down. And the great remedy of injunction, which the Senator from Florida simply must have in order to protect the health and safety and welfare of the people of the Nation, has not been in existence in connection with the Railway Labor Act, and the group of Senators the Senator from Florida is now following refuse to cover the railway employees. They exempted the railway employees who are under the Railway Labor Act. Why, Mr. President? Simply because the Railway Labor Act has resulted in a good job being done, and the Senators know it. They were not going to submit the railway employees to any injunction features such as other employees throughout the country are now being compelled to submit to when a national emergency dispute arises.

Let me say, Mr. President, if there is one institution with respect to which a national emergency could arise overnight practically, it would be the transportation system. The tying up of that system would bring about a national emergency. The paralyzing of the railroads for 3 days' time would bring about the kind of national emergency which would affect the safety and security of the Nation. Yet the Senator from Florida and other Senators are willing to exempt the railway employees; and so am I. I do not want them to come under an injunction act, because they have done a magnificent job under their own railway labor laws and under the rules and regulations which have been promulgated under those laws, as they now exist. That is the real reason why the railway employees are not included in the proposal. Yet the real danger of an acute national emergency lies in the transportation system, whose employees are not subject to injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. Is it not the Senator's understanding that there are two purposes for the injunction: First, to secure time in a vital industry; second, supposedly to offer time for reconciliation of a dispute?

Mr. LUCAS. The Senator is correct.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I am sure the Senator is familiar with the annual report of the Mediation and Conciliation Service. Was it not the conclusion, as set forth in the annual report of the Mediation and Conciliation Service, that the injunctive procedure, during the period of time for which it was secured, instead of promoting reconciliation, aggravated the situation?

Mr. LUCAS. The Senator is correct. That conclusion can be found on page 56 of the report. I shall not read it, because copies of it are in the hands of Senators.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I ask the Senator, if it is the purpose of the injunction to save time—and the Senator from Illinois has just pointed out that the Railway Labor Act has accomplished under a voluntary agreement what some want to accomplish by injunction—does there seem to be any justifiable argument for the continuation of an injunctive proceeding which, under the observation of the Mediation Service has not helped, but has failed?

Mr. LUCAS. In my opinion, "No." That is why I have my amendment before the Senate.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I should like to ask the Senator a question along the line of the colloquy between his colleague from Illinois and himself. I understood the senior Senator from Illinois to boil down the seven cases which the Senator from Florida mentioned, first to three, and then to one.

Mr. DOUGLAS. To four.

Mr. DONNELL. Four?

Mr. DOUGLAS. Yes.

Mr. DONNELL. And then they were boiled down to one?

Mr. DOUGLAS. Yes.

Mr. DONNELL. Almost down to the vanishing point.

Mr. LUCAS. After the warm-up there were only four, and when it came to the boiling point they were boiled down to one.

Mr. DONNELL. Mr. President, I want to know if the Senator from Illinois is familiar with the report of the Joint Committee on Labor-Management Relations of the Congress of the United States, published by the United States Government Printing Office, and submitted to the Eightieth Congress, second session. on December 1, 1948, and whether or not he has observed in that report this statement:

INJUNCTIONS UNDER SECTION 208 (NATIONAL EMERGENCIES)

The committee's recommendations with respect to amendments to the national emergencies sections are treated elsewhere in this report. Injunctions have been sought by the Attorney General at the direction of the President in six instances and in each instance the injunction was granted. The six cases were as follows.

1. The atomic-energy case.
2. The United Mine Workers' case, in April 1948.
3. The International Longshoremen's Association, in August 1948.
4. The West Coast case, June 14, 1948.
5. The East Coast case, June 23, 1948.

Finally, No. 6, the Great Lakes case, June 14, 1948.

Is the Senator familiar with this statement?

Mr. LUCAS. I have the first annual report in my hand.

Mr. DONNELL. That is not what I refer to, Mr. President. What I speak of is the report of the Joint Committee on Labor-Management Relations.

Mr. LUCAS. Who is the author?

Mr. DONNELL. It is the report of the Joint Committee on Labor-Management Relations to Congress.

Mr. LUCAS. Who is the author of it?

Mr. DONNELL. Joseph H. Ball.

Mr. LUCAS. Oh, well. [Laughter.]

Mr. DONNELL. Mr. President, "Oh, well" sounds pretty good, but let me say that this statement gives the names of the cases, the dates and places, and I challenge the possible intimation that there is an untruthful statement in it.

May I ask the Senator from Illinois if he has in his hand the first annual report of the Federal Mediation and Conciliation Service, and if so, if he will turn to pages 46 to 48, dealing with the maritime labor dispute. I call attention to page 47 and ask the Senator if he does not read there, as I do, the concluding full sentence on that page with respect to the maritime labor dispute:

Orders were issued by judges of the district courts of the United States sitting in San Francisco, Cleveland, and New York City on June 14. These orders enjoined both the employers—

And I call attention to this language—

both the employers and the unions and all persons in active participation with them, from encouraging and engaging in any strike or lockout in the maritime industry or from making any changes in terms or conditions of employment other than by mutual agreement. The issuance of these injunctions averted for the statutory period work stoppages which, in the judgment of the Service, would have occurred on all coasts on June 15, 1948.

Does not the Senator from Illinois read what I read on those pages?

Mr. LUCAS. The Senator from Missouri is absolutely correct in his reading. There is no question that what he has read is in the document I hold in my hand.

Mr. DONNELL. Mr. President, will the Senator yield further for a question?

Mr. LUCAS. I yield.

Mr. DONNELL. The question was asked by the Senator from Minnesota

[Mr. HUMPHREY] about a statement made by Mr. Ching in regard to the stopping of negotiations pending injunctions. I ask the Senator if he has before him at this time on his desk the first volume of the testimony before the Committee on Labor and Public Welfare on the labor legislation we are now discussing, and if he has, I ask him whether or not at the bottom of page 62 and the top of page 63 there appear the following questions and answers, questions put to Mr. Ching, and his answers. For the purpose of the RECORD I will say that Mr. Ching is the head of the Federal Mediation and Conciliation Service.

Senator TAFT. You say it is the experience of the Service that in some of the national emergency disputes occurring in the last year, reading from your report:

"The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement."

You still agree with that statement, don't you?

Mr. LUCAS. Will the Senator read the rest of his statement?

Mr. DONNELL. I am coming to that. That is a part of what I want to read.

Mr. LUCAS. I want the Senator to read it.

Mr. DONNELL. I will read it all. I want the Senator to listen to this, and I ask him if I am quoting correctly:

Mr. CHING. I agree that in the Coal case, the Longshoremen's case, the National Maritime case, the Oak Ridge case, as I remember those cases, the injunction stopped the strike at the time it was threatened. However, in some of the cases, after the injunction had expired, we still had the same problem.

Senator TAFT. Oh, well, yes; that was contemplated in the law.

Mr. CHING. It was a temporary stoppage of the strikes. There is no question about that.

Senator TAFT. It gave you 60 days more time to try to work it out.

Am I not correctly quoting from the testimony of Mr. Ching before the Committee on Labor and Public Welware of the Senate early this year?

Mr. LUCAS. The Senator is correctly quoting from Mr. Ching's testimony.

Mr. DOUGLAS. Mr. President——

Mr. DONNELL. Mr. President, will the Senator further yield?

The VICE PRESIDENT. Does the Senator from Illinois yield, and if so, to whom? Let the Chair find out to whom the Senator from Illinois is yielding.

Mr. LUCAS. I am delighted to yield to the distinguished Senator from Missouri.

Mr. DONNELL. In view of the official statements by the Joint Committee on Labor-Management Relations, an official body created by act of Congress and reporting to Congress, and in view of the statements which I have just read, by Mr. Ching, in the official report, does not the Senator feel that, after all, the position taken by the distinguished Senator from Florida as to the number of cases—instead of seven, I think the number was six—is sound and correct? Does not the Senator further believe, as stated by Mr. Ching, that although these injunctions have not brought about settlements of all the strikes—perhaps they have not brought about any settlements?

The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement.

Does not the Senator from Illinois agree with that statement?

Mr. LUCAS. I do not think I can agree with all the statements of Mr. Ching. Let me read something that Mr. Ching said which the Senator omitted.

Mr. DONNELL. Where is it, please?

Mr. LUCAS. When Mr. Ching was testifying, on page 62 of the labor relations hearings, at the bottom of the page, we find this statement:

The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement.

That statement was quoted by the Senator from Ohio [Mr. TAFT] in a question to Mr. Ching. That statement came from the annual report of the Federal Mediation and Conciliation Service. That is what the Senator quoted from a moment ago. This is what Mr. Ching said in full, which was not brought out:

It is the experience of the Service that in some of the national emergency disputes occurring in the last year the issuance of an injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement. Similar claims for the utility of injunctions, such as are provided in current law, as a means of protecting the national welfare, cannot be made in respect of other national emergency disputes.

That was the statement of Mr. Ching. That was one of the things in the report that was left out. The Senator did not tell everything that Mr. Ching said.

One of the conclusions which the Service is undoubtedly justified in drawing from its experience of the last year is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

That is what Mr. Ching said. The injunction delayed, rather than facilitated the settlement of disputes.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President——

The VICE PRESIDENT. To whom does the Senator from Illinois yield, if anyone?

Mr. LUCAS. I further yield to the Senator from Missouri.

Mr. DONNELL. I am perfectly familiar with the language which Mr. Ching used, and I also am familiar with a sentence which the Senator did not read.

Mr. LUCAS. The Senator has not read it all.

Mr. DONNELL. I shall read it.

The VICE PRESIDENT. The Chair holds that the Senator from Missouri cannot read from a document under the guise of a question. If he has a question to ask the Senator from Illinois which involves certain language, it is legitimate to ask it, but the Chair feels that under the guise of a question a long document cannot properly be read.

Mr. DONNELL. I am not undertaking to read a long document. The Senator from Illinois has read extensively——

Mr. LUCAS. Mr. President, I have the floor.

Mr. DONNELL. I am asking if this further sentence does not appear. I may say that the sentence which I am about to read is in support of the argument of the Senator from Illinois, but I wish to read it.

I ask the Senator from Illinois if the Ching report does not contain this language:

National emergency disputes vary widely in their facts and circumstances, and it is unlikely that any machinery can be devised that will guarantee satisfactory handling in all situations.

My question of the Senator is this: Notwithstanding Mr. Ching's statements to that effect, and notwithstanding the fact that in his testimony he says that he does not think it advisable for his department to take a position on the use of the injunction, he said this:

It is the experience of the service that in some of the national emergency disputes occurring in the last year the issuance of an injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement.

Mr. LUCAS. Mr. Ching is on both sides of the question. There is no doubt about it. That is my conclusion after reading the statement.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Has not the Senator from Missouri, in perfect good faith, nevertheless made an inadvertent error when he implied that because injunctions were sought in six instances, they therefore occurred in six disputes?

Mr. LUCAS. They did not.

Mr. DOUGLAS. As a matter of fact, if we examine the six injunctions which were sought, is it not true that in the east coast and Gulf maritime dispute three injunctions were sought, one against the Longshoremen's Union, A. F. of L., and two against the National Maritime Union, CIO? So is it not true, in effect, that in only four national emergency disputes were injunctions sought—not seven, and not six, but four? Is not that true?

Mr. LUCAS. I think the Senator is correct, and I think the Senator from Missouri will agree with him.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I ask the Senator from Illinois, regardless of whether there was one controversy which covered the east coast, the west coast, the middle coast, and all other coasts, is it not true that there were six separate cases in which injunctions were issued under the national emergency provision, and that in each instance the name of the court appears? Does not the official report of the Joint Committee on Labor-Management Relations say that injunctions have been sought by the Attorney General, at the direction of the President, in six instances, and that in each instance an injunction was granted?

Mr. LUCAS. There were only four disputes in which the injunction was involved.

Mr. DONNELL. Regardless of the number of disputes, six injunctions were issued.

Mr. LUCAS. Six injunctions in four disputes. I stand on that.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Does not the Senator feel that in six cases, four cases, or whatever the number may be, the President of the United States, after considering all the circumstances, came to the conclusion that it was in the public interest and in the interest of settling the strike to seek an injunction?

Mr. LUCAS. That was the only thing he could do under the Taft-Hartley Act.

Mr. TAFT. Not at all. The use of the injunction under the Taft-Hartley Act is completely discretionary with the President.

Mr. LUCAS. Certainly.

Mr. TAFT. Did not the President, in every one of those cases, decide that in his opinion the injunction was the best method of dealing with the emergency dispute?

Mr. LUCAS. After the board made its findings, and the Attorney General requested the injunction, that was all he could do.

Mr. TAFT. Does not the Senator realize that the Attorney General seeks injunctions only on the order of the President?

Mr. LUCAS. He seeks an injunction after the Board of Inquiry has made its report to the President of the United States. I presume the President confers with the Attorney General; but it is probably the Board of Inquiry which makes the decision.

Mr. TAFT. Oh, no.

Mr. LUCAS. The Board of Inquiry makes its report to the President of the United States.

Mr. TAFT. That is correct.

Mr. LUCAS. And then the President——

Mr. TAFT. The Senator is no doubt aware of the Meat-packing case, in which the President decided that it was not in the public interest to seek an injunction, or else that it was not a case involving national safety and health. But is it not clear that in every one of the six cases the President had discretion to seek an injunction or not to seek an injunction, and that in every case he decided that that was the best method of dealing with the situation?

Mr. LUCAS. That was the only way in which he could get a waiting period.

Mr. TAFT. He had all the remedies of the Thomas bill. The only thing he did not have under the Taft-Hartley Act was the right of seizure, except in the case of railroads under an older act. But if the President thought the injunction would make the strike worse, surely he was under no obligation to use the injunction.

Mr. LUCAS. The Senator from Ohio does not believe the injunction has been very successful; does he?

Mr. TAFT. I think the injunction has succeeded, in the first place, in postponing the strike; and in every case it means that some headway toward a settlement—in some cases successfully, and in others not—can be made while the injunction is in effect.

But does not the Senator from Illinois believe that if in a national emergency the injunction offers a means by which the problem can be solved, that method should be used by the President, in his discretion?

Mr. LUCAS. I absolutely disagree with the Senator from Ohio in that premise and in his conclusion. The President is, as a practical matter, under a duty to use the remedy Congress gives him whenever the national health or safety is threatened.

Mr. President, I have tried to state clearly why I have presented this amendment. I do not care to repeat that statement; it is a long story. The Senator from Ohio knows exactly my position. I do not agree with him.

I repeat that in the case of a national emergency, action should be taken through the second method, the method offered by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Vermont [Mr. AIKEN], or through the other provision which would remain in the Taft substitute, after provision for the injunction has been stricken out, as it should be stricken out.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. THYE. I should like to ask a question. In the event there was no provision for seizure and no provision for injunction, how many of those strikes would have been settled before the actual shutdown or stoppage of work occurred?

Mr. LUCAS. Of course that is a matter of speculation.

Mr. THYE. Is it not reasonable to believe that the provision for seizure or for injunction might result in deteriorating or slowing down the settlement, because one party or the other would know that the strike or shutdown would not occur since either the plant would be seized, as a result of provoking such action, or an injunction would be issued, because a situation leading to an injunction might be provoked? In fact, the entire emphasis in this question should have been upon conciliation and negotiation before the strike or shutdown occurs, when the men are not nearly so angry as they become once the injunction has been imposed or once the plant has been seized.

Mr. LUCAS. I agree entirely, as I have said time and time again, that negotiation, conciliation, and honest collective bargaining around the bargaining table can be had only when there are no strings attached. They cannot be had if there is injunction or seizure; but in my opinion they can be had better under seizure than under injunction, because under injunction, if a contempt of court action is in the offing, there is no opportuinty to act in a free and independent manner, so to speak, in trying to present the case around the bargaining table.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. THYE. I have sat through many labor disputes in negotiations which have lasted, not one or two nights; but several days and nights; and I know that men can be brought together much easier before the strike has occurred, rather than after the strike or shut-down has occurred.

Of course, in the case of seizure there comes a time when the seizure expires. When that occurs, if no settlement has been reached, the situation is right back where it was at the beginning, except by that time the men have become angry.

The same is true with respect to injunctions. When the injunction is applied, there is no real difference in the situation, except the men are angry.

Mr. LUCAS. I thank the Senator, and I agree with him, except to say that in rare cases of true emergency seizure may be necessary, however reluctant we may be to use it in view of its effects. For these rare cases seizure is preferable by far to the injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I should like to ask whether my colleague is familiar with the following observations made by the Federal Mediation and Conciliation Service:

> Parties unable to resolve the issues facing them before a dead-line date, when subject to an injunction order, tend to lose a sense of urgency and to relax their efforts to reach a settlement. * * * In most instances efforts of the Service to encourage the parties to bargain during the injunction period, with a view to early settlement, fall on deaf ears.

Is not that exactly what the senior Senator from Minnesota was pointing out?

Mr. LUCAS. There can be no question of that, and that is what I was trying to point out. I think the Senator has stated it in much better language. That is exactly the truth about the situation.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. Along the line suggested by the question of the Senator from Minnesota, if the Senator from Illinois will turn to page 48 of the first annual report of the Federal Mediation and Conciliation Service, and will note the first full paragraph on that page, I should like to ask him a question. It relates to the three injunctions issued in connection with the maritime labor dispute, although there was only one dispute. Does the Senator agree with the statement of fact on page 48, reading as follows:

> After the issuance of the injunctions the Service continued its mediation efforts. On the Atlantic and Gulf coasts the bargaining efforts of the parties were profitably exerted and general settlements were achieved before September 1, 1948, the date of expiration of the injunction order. These settlements provided for the continuance of existing hiring practices pending judicial determination of their legality, and for wage increases and changes in certain working conditions. Settlements were also worked out with respect to the disputes on the Great Lakes.
>
> Bargaining negotiations on the Pacific coast were not profitably conducted, for the reasons set forth by the board of inquiry in its final report.

Does the Senator agree with those statements of fact?

Mr. LUCAS. The statements made were just as the Senator has read them.

Mr. DONNELL. The Senator asked the Senator from Ohio whether the board of inquiry would, in effect, decide whether the injunction should be sought.

I ask the Senator if this is not what the Taft-Hartley law provides, in section 206:

Such report—

That is the report of the board—

shall include a statement of the facts with respect to the dispute, including each party's statement of its position, but shall not contain any recommendations.

Is not that the provision of the Taft-Hartley Act?

Mr. LUCAS. Yes.

Mr. DONNELL. Then I ask the Senator, as bearing on the question of whether the President has any obligation to seek an injunction, or whether that is a discretionary matter, as the Senator from Ohio has suggested, if section 208 (a) of the Taft-Hartley Act does not read in this way:

Upon receiving a report from a board of inquiry—

I pause to say that the report shall not contain any recommendations—

The President may direct the Attorney General to petition any district court—

And so forth. Is not that entirely discretionary with the President?

Mr. LUCAS. That is the only way he can get an 80-day waiting period.

Mr. DONNELL. It is absolutely discretionary with the President and there is nothing mandatory upon him. Is not that correct?

Mr. LUCAS. That is true, but it is the only way he can get an 80-day waiting period in order to try to bring about an adjustment, under the present law and furthermore, the fact that Congress has given the President this remedy requires him to use it as a practical matter where the national health and safety are involved.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. LUCAS. I yield.

Mr. DONNELL. It is left entirely discretionary with the President as to whether he will or will not ask for an injunction, is it not?

Mr. LUCAS. The Senator is correct.

Mr. President, I now yield the floor.

Mr. THOMAS of Utah. Mr. President, I am sure that there has been a full discussion of the amendment, and that we are ready to vote on it. I trust that the amendment will be supported, because there is no provision for injunctions in the Thomas bill, title III, relating to national emergencies. In order that we may vote, Mr. President, I suggest——

Mr. TAFT. Mr. President, will the Senator withhold his request for a quorum call, until the Senator from Florida submits another amendment, which will take precedence over the pending amendment?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. HOLLAND. Mr. President, before offering on behalf of myself and other Senators an amendment to the Thomas bill, I wish to say that I am very appreciative of the kindness of the distinguished senior Senator from Missouri in producing the names, courts, cases, numbers, and all the other essential information concerning six of the seven cases to which I adverted in addressing certain questions to the distinguished majority leader.

There were seven injunction cases covered by the questions of the junior Senator from Florida; but one——

Mr. THOMAS of Utah. Mr. President, I understood that I was to yield for the purpose of permitting the Senator to offer an amendment, not for the purpose of making a speech. That was the request.

The VICE PRESIDENT. The Senator yielded. There is no way by which the Chair can control the Senator's procedure after he once gets the floor.

Mr. HOLLAND. Mr. President, I apologize now, if the distinguished Senator was under a misapprehension, and I shall be very happy to yield the floor. But I want to tell the distinguished Senator that I expect to have brief remarks to make, after he has concluded and has yielded the floor. I would not under any circumstances accept his yielding of the floor, if he misunderstood the situation.

Mr. THOMAS of Utah. I suggest the absence of a quorum, in order that we may vote.

Mr. TAFT. Mr. President, if the Senator will withhold his request for a moment, it seems to me it is going to be impossible to vote tonight. The distinguished Senator from Florida is about to submit to the Thomas bill an amendment which takes precedence over the Lucas amendment. The Lucas amendment itself was not offered until today, and it has not yet been printed. The amendment of the Senator from Florida has not yet been printed, and I certainly would object to having any vote taken today on these amendments before any opportunity is given to discuss them.

As I understand, there is still considerable debate involved in both of them. I do not object, I could not object, of course, to a quorum call, but I do not think a quorum should be called under the impression that it is going to bring about an immediate vote on the Lucas amendment.

Mr. THOMAS of Utah. Mr. President, the reason I am suggesting the absence of a quorum, in accordance with my own remarks, is that I assumed the discussion had been completed upon the pending amendment. I, of course, have no objection to the offering of another amendment; I could not have, and I do not want to do that. If we are not ready to vote on the pending amendment, I am very much surprised, because I thought the discussion had been completed and that every Senator understood exactly what the pending amendment would accomplish.

Mr. TAFT. Mr. President, if the Senator will yield, I intend to speak at least half an hour on the Lucas amendment. I have not discussed the amendment at all as yet, and it is an amendment which of course proposes to kill the Taft amendment. The Senator is certainly very wrong in his idea that debate on this subject has come anywhere near to a close.

The VICE PRESIDENT. Even though the debate had been concluded on the pending amendment, any Senator could offer an amendment to the original Thomas substitute. The vote on that amendment would take precedence over a vote on either the Lucas or the Taft amendment. The Senator from Florida is recognized to offer his amendment, if he wishes to do so, at this time. The Chair will modify his observation to the extent of saying, if it applies to title III of the Thomas substitute.

Mr. HOLLAND. It does, Mr. President.

Mr. O'MAHONEY. Mr. President, will the Senator yield, so I may make an inquiry?

Mr. HOLLAND. I yield for a question.

Mr. O'MAHONEY. Mr. President, I have before me a privileged matter, a conference report on the Virgin Islands bill. It has just been adopted by the House, and my question is whether in the opinion of the Senator this would be an appropriate time for me to make a privileged motion for the adoption of a conference report. I think it will not involve discussion.

Mr. HOLLAND. Mr. President, the present time, or any time he sees fit, is an appropriate time for the distinguished chairman to make his motion for the consideration of a privileged matter. I shall be glad to yield with the understanding that I may be recognized when he concludes.

The VICE PRESIDENT. The Chair suggests that the House has not yet sent the papers to the Senate, and it is not now appropriate to make the motion.

Mr. O'MAHONEY. Mr. President, I think the Vice President has adequately answered my question. I thank the Vice President.

Mr. HOLLAND. Mr. President, if I may conclude the very brief remarks which I had intended to make upon the amendment of the Senator from Illinois, the distinguished majority leader, to the substitute offered by the senior Senator from Ohio, I should like to say that I am deeply grateful to my friend the senior Senator from Missouri, who, I am happy to see, has returned to the Chamber, because of his having come to the assistance of the junior Senator from Florida by bringing in the names of the cases, the courts in which they were pending, a description of the causes, and the affirmative statements not only of a dignified group in the Congress, but also of the head of the Conciliation Service, an official agency, in the matter of six of the injunction cases to which I referred in my series of questions propounded to the senior Senator from Illinois. The seventh injunction case was the railway case which, as we all know, was not brought under the provisions of the Taft-Hartley Act, so that the questions propounded by the junior Senator from Florida to the majority leader should have mentioned six injunction proceedings and six injunctions, rather than seven, the seventh case having been the railway injunction case which was not brought under the provisions of the Taft-Hartley Act.

Mr. President, with reference to those six cases, I think it has been abundantly and incontrovertibly shown by the documents introduced in the shape of various questions by the Senator from Missouri to the Senator from Illinois that not only were six injunctions issued under the

provisions of the Taft-Hartley Act, but that they were operative and effective, in the opinion not only of the joint committee of the Congress on this subject matter, but also in the opinion of the Director of the Conciliation Service, to protect the public interest effectively by preventing shut-downs during the entire period of time covered by each of those six injunctions.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. DONNELL. Perhaps the Senator recalls—I would be unable, without some search of my papers, to be certain—whether it was not true, in one of those cases, namely, the mine workers case, in which an order was issued against the United Mine Workers, that in order to enforce the order of the court it proved to be necessary not only to make the order but to issue contempt proceedings and to fine Mr. Lewis and the union. I believe that is correct; is it not?

Mr. HOLLAND. The Senator is correct; and perhaps my earlier statement should be modified only to admit that in the coal case the perfect protection given to the public by the averting of stoppages in vital national industries throughout the life of those six injunctions should be confined to the time when, after the bringing of contempt proceedings, the coal mines were reopened by direction of Mr. Lewis.

Mr. President, I am simply making this point at this time because it was so crystal-clear, and I think it should be made clear over and over again, in the minds of Senators and in the minds of the public, that the injunctions were not issued to force settlements or to give mandates either to labor or to employees to make settlement on some fixed basis or on any basis, but that the principal reason for the issuance of those injunctions, which was effectively realized in each of the six cases, was the protection of the vital national interest, in that during the full period of those injunctions and up to the time of their expiration, in each case the public was protected by keeping those industries open, running, and subserving vital national purposes and rendering vital national services.

Mr. President, the Senator from Illinois showed very clearly that he has jumped to one of those conclusions which is most responsible for the discrediting of the use of the injunction, in that his whole argument was addressed to an effort to show that injunctions had meant nothing and did not accomplish anything, simply because, in his opinion, there were cases in which settlements were not made during the period of the injunction.

The distinguished Senator from Illinois has completely misunderstood the purpose of the injunction and its use under the Taft-Hartley Act under which the vital national interest is recognized and protected for the limited period of time covered by the injunction. There is no Senator present who can say or who will attempt to say that, except for that brief period of a very few days in the very beginning of the whole period covered by the coal injunction, there was anything but perfect protection of the public interest of the Nation as against the stoppages in the vital national industries which threatened, throughout the period covered by those injunctions. That was and is, of course, the first purpose of the use of the injunction. It is not sought through the injunctive process to force labor or employers to make any specific settlements. It is not sought to visit the mandate of the Department of Justice or of the President of the United States or of the Emergency Board upon the industry which is affected, by saying, "You must make a settlement within a fixed time," or "you must make such and such a settlement." On the contrary, the principal objective is to protect the vital national interest against stoppages which cause damage throughout the Nation whenever they occur.

Mr. President, in my humble judgment, the inclusion of the injunctive feature in the original Taft-Hartley law has been thoroughly justified and vindicated not only by the effective results accomplished in the six cases mentioned, but particularly—and let anyone who thinks otherwise prepare to answer this—particularly by reason of the fact that the distinguished President of the United States, having available all, or practically all, of the little wrist-slapping machinery which is involved in the provisions of the Thomas bill, found, in his judgment, that it was necessary for him to do something which he did not want to do, which he had made very clear by his attitude in vetoing the Taft-Hartley Act that he did not care to do. He found it was necessary, in the public interest and in the discharge of his responsibility as Chief Executive of the Nation, if he wanted to save the public from suffering, to resort to the use of the injunction in six cases. I say it will be very difficult, if not impossible, to make any reasonable, thinking citizen of this Nation come to the conclusion that the inclusion of the injunction in the Taft-Hartley Act was not desirable, was not necessary, and did not prove to be such, when the President himself had to turn to the use of that tool, which he did not care to use, if he could avoid it, and, through the use of it, he accomplished the salutary objective which he felt should be accomplished in the national interest.

Whether we want it to be so or not, we are facing exactly the same situation we faced in 1947. That situation is this: Are we going to place first the interests of employers or of employees, or of any group of citizens less than the whole citizenship of the Nation? So far as I am concerned, I say to the Senate that in my judgment anything less than effective machinery left in the hands of the Chief Executive, through the use of which he can give protection to the public, as against shutdowns in vital national industries, is going to be unworthy of passage and approval by the Senate and by the Congress. I hope that none of us for a moment will consider going away from here leaving the President without tools with which to approach a problem of magnitude, and leaving the Nation without the protection of those tools which it so badly needs when shutdowns threaten in vital national industries.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HOLLAND. In a moment. I have one further thought I should like to express.

Let no Senator come to the conclusion that members of labor throughout the Nation by the tens of thousands do not know that, so far as they are concerned, they are the first people who are hit when there is a shut-down in a vital national industry. When John L. Lewis closes the coal mines he aims a blow, not merely at the miners where the walk-out occurs, not merely at the employers who have a shut-down, not merely against the local communities where the people live and where the mines are located, but he aims a dangerous blow at the business, at the existence, at the living, of people throughout the Nation, because within a few hours after such a shut-down there have to be embargoes by the railroads on the movement of vital freight, there have to be all kinds of plans for laying off men in industries, both the heavy and the light industries, there have to be many retrenchments, all of which hit the men on the pay rolls first, and hit their ability to continue to sustain their families and their homes and their firesides. Any Senator who permits himself to think that the working people of America do not recognize that fact is indeed "kidding" himself, because they do recognize it.

Mr. President, any Senator who thinks that the working people do not distinguish between the kind of injunction we are discussing in this debate, the kind of injunction provided for in the Taft-Hartley law, and the injunctions which in some instances prevailed before the Norris-LaGuardia Act, are "kidding" themselves, too, because I say from many direct approaches which I have had from working people, who are among my best friends, that they know beyond any peradventure of doubt that the injunction which is involved here is no kin to the other, although it happens to have the same name, because this kind of injunction is issuable only after the Emergency Board has acted, only after the President of the United States decides that a national vital industry is at stake, and that great harm would be done to the Nation unless there were an injunction. It is issued only after the Attorney General of the United States, who represents you and me and every other citizen in this good Nation, goes before a court to prove his case—the highest court he can reach in responsibility and experience, and in ability to satisfy all the exacting requirements of hearing this kind of a case and doing justice. I call attention to the fact that that is the kind of court to which the Attorney General has gone, and there is not the slightest doubt in the world in the mind of any intelligent American that the President and the Attorney General will continue to insist in the future, regardless of who is President and regardless of who is Attorney General, upon carrying this kind of vital national litigation before only justices of the highest standing, of the highest reputation, justices whose judgment cannot

be in any sense decried as coming from an inferior or a prejudiced or a partial source.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Missouri.

Mr. DONNELL. I appreciate the Senator yielding, and I dislike to interrupt him, but he was making such a clear point of the fact that the President, although opposed to the injunction idea, although he vetoed the Taft-Hartley bill, nevertheless appealed to its provisions and followed it in the injunction, that I am led to ask this question: Does not the Senator agree with me that the President in so doing had the entire option, under the Taft-Hartley law, either to direct his Attorney General or not to do so? There is no compulsion in the Taft-Hartley law requiring the President to take any such action, is there?

Mr. HOLLAND. There is no compulsion whatsoever.

Mr. DONNELL. In other words, the President exercised his own free will and choice, and himself determined, without any compulsion whatsoever under the terms of the Taft-Hartley law, that it was advisable to direct the Attorney General to seek the injunction. That is correct, is it not?

Mr. HOLLAND. That is correct.

Mr. DONNELL. I ask the Senator if it is not equally true, under the language of his own amendment, and certainly of the Taft amendment, that likewise it is left entirely to the discretion of the President to take that action if he desires or not to take it if he desires.

Mr. HOLLAND. It is not only correct that under the Taft substitute the President is given discretion as to whether he would proceed, but it is correct that the court is given some discretion as to which of two alternatives may be followed.

Mr. DONNELL. In addition to that, is it not true that under the Taft-Hartley law, and, indeed, under the Taft amendment, leaving out the seizure question for a moment, in addition to the President making the determination of his own free will and accord, in addition to the petition to the court by the Attorney General at the direction of the President, the court does not have any authority arbitrarily to issue an injunction, but can do so only if the court finds—and I emphasize the word "finds"—that a strike or lock-out is threatened which affects an entire industry, or a substantial part thereof, engaged in trade, commerce, transportation, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, and which if permitted to occur or to continue will imperil the national health or safety? In other words, the court has no arbitrary right; it must, in order to have jurisdiction to issue an injunction, have first made those findings. Am I not correct?

Mr. HOLLAND. The Senator is exactly correct. The facts must be established to the satisfaction of a judge of high experience and proven character, and to a sufficient degree to satisfy the demands of his conscience, which would be very high demands when he knows he is sitting upon a matter of such vital concern.

Mr. DONNELL. I thank the Senator.

Mr. THOMAS of Utah. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield to the Senator from Utah.

Mr. THOMAS of Utah. As I understand the Senator's projected amendment, it will merely, to make it very brief, put the injunction process into title III of the Thomas bill, just as the amendment of the Senator from Illinois to the Taft substitute would have withdrawn or taken away the injunctive process from the Taft substitute, and the vote would have been clear-cut. If a Senator does not like the injunction, he will vote, of course, for the Lucas amendment. If a Senator likes the injunction and wants to retain the injunction, then his vote will be for the amendment of the Senator from Florida. So that in either case the voting process is very clear-cut. Is that correct?

Mr. HOLLAND. I think the voting process will be clear-cut. I cannot agree unequivocally with the question as phrased, because I think the amendment offered by the Senator from Illinois still has implicit in its provisions the possibility, nay, the certainty, of the availability of the injunction after seizure, which is not sought to be precluded by the terms of the amendment of the Senator from Illinois.

So that there is in his case no clear choice between injunction and seizure; whereas in the case of the amendment which other Senators and I propose now to offer, and which I have not as yet had an opportunity to discuss, briefly, a clear choice will be presented. The amendment, I may say, is addressed to the original bill, the bill which bears the honored name of the distinguished senior Senator from Utah, the Thomas bill.

Mr. THOMAS of Utah. Then may I ask, is there any attempt to insert seizure into the Thomas bill?

Mr. HOLLAND. There is none.

Mr. President, I was glad to yield to the Senator from Utah, though I have not yet gotten around to the point of sending forward and offering the amendment, which is offered for the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. SCHOEPPEL], and myself.

Under the terms of the amendment it would be sought to use only the injunction as a tool in connection with national emergency matters, and the other provisions already embraced in the so-called Taft substitute would be continued. That is to say, under the proposed amendment offered by the three distinguished Senators whom I have mentioned, and the junior Senator from Florida, it would be sought to amend the Thomas bill by adding as an amendment to title III of that bill a provision which would engraft upon the Thomas bill only that portion of the so-called Taft substitute which is left after entirely subtracting all that has to do with seizure.

There are provisions in the Taft substitute which are changes suggestive of the Taft-Hartley Act, such as for instance a cutting of the period to be covered by injunction from 80 days to 60 days, which is left in the amendment which I shall send forward; and also the doing away with the final vote.

As I understand, that provision keys in with the reduction of time from 80 days to 60 days. There are perhaps other minor differences, such as the granting of power to the Board to make recommendations, which would be still included within the provisions of the amendment about to be sent forward.

Mr. President, it is now 5:15 p. m. I have not had the chance to see the amendment offered by the Senator from Illinois. No one else, other than its sponsors, has had a chance to see the amendment which I shall now send forward. It would seem to me that if it meets with the approval of the majority leader, it would be a fair approach to the question for us to allow both these amendments to be printed overnight, and resume the debate in the morning. It would be entirely agreeable to me if the time of the convening of the Senate, in the judgment of the majority leader and of the Senate be brought up to 11 o'clock, or earlier. But I think that the printing of the amendment, so that the actual text should be available to each Senator, would make the debate much easier. For that reason I suggest that there now be a recess taken until tomorrow.

I send forward the amendment, and ask for its adoption.

The VICE PRESIDENT. Does the Senator desire to have the full amendment read at this time, or printed in the RECORD?

Mr. HOLLAND. If my suggestion to the effect that we recess until tomorrow meets with the approval of the Senate, I should much prefer to have the amendment simply printed in the RECORD.

The VICE PRESIDENT. Without objection, the amendment will be received and printed in the RECORD at this point.

The amendment is as follows:

SEC. 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an "emergency board."

(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 30 days after the issuance of the proclamation, makes a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

(d) Members of an emergency board shall receive compensation at the rate of $50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the director of the Federal Mediation and Conciliation Service.

(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organization of employees or in any employer involved in the dispute.

SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

(b) In any case in which a strike or lockout occurs or continues after an emergency board has made its report the President shall submit to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board and such recommendations as he may see fit to make. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, he shall convene the Congress, or such House, for the purpose of consideration of and appropriate action pursuant to such statement and report.

SEC. 304. (a) After issuing a proclamation pursuant to section 301 the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

(i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and

(ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate.

(b) In any case, the provisions of the act of March 23, 1932, entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.

(c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in section 1254 of title 28 of the United States Code.

SEC. 305. (a) Whenever a district court has issued an order under section 304 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences.

(b) At the end of a 60-day period following the issuance of a proclamation pursuant to section 301 or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged.

SEC. 306. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

SEC. 307. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

Mr. WITHERS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WITHERS. Does the amendment provide for an injunction?

Mr. HOLLAND. Yes, for an injunction for a 60-day period under the exact provisions, so far as injunction is concerned, that are already embraced in the so-called Taft substitute.

Mr. WITHERS. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. I yield.

Mr. WITHERS. Does the Senator think that an injunction is fully effective in such cases?

Mr. HOLLAND. Answering that question, I shall have to say that, based upon the results accomplished in the six cases under which in the the administration of the Taft-Hartley Act the injunction has been used, it has been completely effective in the carrying out of its principal objective, which is to prevent a shut-down during the period of injunction, except that in the Coal case there was a period of a few days between the issuance of the injunction and the compliance by the defendant, Lewis, with the contempt order, in which the protection of the public interest was not given.

Mr. WITHERS. Does the Senator know in how many of those cases injunction was not fully effective?

Mr. HOLLAND. In answering that question, Mr. President, I should like to say that in my judgment the distinguished Senator is making the identical mistake which has been made already this afternoon by the distinguished senior Senator from Illinois, in that he is interpreting the injunction as having been granted under the Taft-Hartley Act to compel a settlement or to force or suggest a settlement, whereas in my humble judgment—and I participated in the debate and in the votes at the time of the adoption of that measure—the principal objective was to protect the public of the United States against the shut-down of vital national industries throughout the time of operation of the injunction, and with the sole exception which I noted, in the Coal case, I will say to the Senator that that principal objective was effectively gained in all six cases in which the injunction was issued.

Further answering the Senator I may say that I am fully acquainted with the facts, which the Senator doubtless has in mind, with reference to the time of settlement, when settlements were actually attained between employees and employers in the matters in which the injunctions were issued. But I respectfully call to the attention of the Senator that the making of settlement is something which is not sought to be forced by the injunction, but that, to the contrary, what is sought to be enforced is the giving of needed protection to the public, which was effectively attained.

I call further to the attention of the distinguished Senator that every one of the cases was either settled while the injunction was pending, or very shortly thereafter, that is, within a period of just a few days, during which no national injury could be sustained, except in the case of one of the maritime strikes, in which case the settlement was too prolonged.

Mr. WITHERS. Does the record show that three of those cases were not settled, and that only three were settled?

Mr. HOLLAND. I am fully acquainted with the facts as shown by Mr. Ching's report, by Mr. Ching's testimony as appears in volume I of the six volumes of printed hearings on this matter, and by the extensive argument which has taken place this afternoon on the floor of the Senate in the absence of the distinguished junior Senator from Kentucky.

Mr. WITHERS. Mr. President, I should like to ask the Senator from Florida if he did not hear the Senator from Ohio [Mr. TAFT] state that injunction had been effective only in three cases, and might have helped in two others, but in one of them it was a detriment to settlement?

Mr. HOLLAND. The Senator is again slipping into error which has already been made today.

Mr. WITHERS. No; I am not slipping. I am quoting the Senator from Ohio.

Mr. HOLLAND. The fact of the matter is that the injunctions were completely effective in giving protection to the Nation through the injunctive period, except for one small period of time in the coal case, between the issuance of the injunction and the compliance with the contempt proceedings.

Now the Senator from Kentucky has a point in his question which I gladly accede to, namely, that in certain of the cases settlements were not made until after the injunction had expired. But I again restate my answer already given, that in those cases settlements came so shortly after the period of expiration of the injunctions, that no material harm to the Nation could be accomplished in that short period of time: except in the one case where the settlement was long deferred after the injunction period had elapsed.

Mr. WITHERS. But before those three cases of which the Senator speaks were settled, the effective time of the injunction had expired? The injunction then had no effect?

Mr. HOLLAND. Let me say that neither I nor, I believe, any other Senator, nor any Member of the House of Representatives of the some hundreds who voted for the act, would have voted for it at all if its purpose was to try to ram down the throats of anybody, whether employee or employer, any fixed settlement, or to say, with the force of a public mandate, that a fixed settlement had to be reached within the 80-day period of time. So the Senator's question

is based upon an entirely incorrect premise, and I stand upon the answers which I have already made.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield for a clarifying question?

Mr. HOLLAND. I am very happy to yield.

Mr. DOUGLAS. Do I correctly understand the amendment of the Senator from Florida and his colleagues to provide that in the case of so-called national emergency strikes the injunction, and only the injunction, is to be used?

Mr. HOLLAND. No; not at all. The injunction is only one of two of the mandatory remedies which are provided by the Taft substitute, namely, injunction and seizure. It is the only one which is left.

Mr. DOUGLAS. Seizure is eliminated, and the injunction is retained. Am I correct?

Mr. HOLLAND. That is correct; but everything else that was included within the purview of the so-called Taft substitute will still be found within the provisions of the amendment which we offer.

Mr. DOUGLAS. But the fundamental weapon is the injunction.

Mr. HOLLAND. If the Senator means by the use of "fundamental" the only weapon by which the vital national interest can be protected by keeping in operation industries which vitally affect the national welfare, even though employers are willing to lock-out and even though employees are willing to strike, yes. It is the only weapon which has any compulsory force, and then only for a period of 60 days.

Mr. DOUGLAS. In other words, the amendment of the distinguished Senator from Florida is the converse of the amendment of my colleague from Illinois [Mr. LUCAS], in that while the Lucas amendment would have eliminated injunctions from the Taft substitute, and would have left only seizure to be treated at a later time, the Senator from Florida would put the injunction into the Thomas proposal from the very beginning.

Mr. HOLLAND. In general the statement embodied in the question of the Senator is correct, but I should make one statement as to a possible difference, and that is that, as I understand, the right of injunction after seizure is much more fully established than the right of seizure after injunction.

Mr. DOUGLAS. In other words, the issue will be clearly and sharply drawn on the Holland amendment. Senators who favor the use of the injunction in cases of national emergency should vote for the Holland amendment; and Senators who are opposed to the use of the injunction in national emergencies should vote against the Holland amendment.

Mr. HOLLAND. I think the Senator has correctly stated the situation; but I repeat that, whereas in the amendment of the distinguished Senator from Illinois the injunction still hovers in the background, because our courts have clearly stated that when there is seizure and operation by the Government the injunction will lie, I do not understand that there is any such clear case or precedent in connection with the use of national seizure in the event injunction were used under the provision offered by the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. SCHOEPPEL], and myself.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. TAFT. Is there any authority whatever for the claim that the President has any right of seizure, particularly in view of the provision of the fifth amendment that no person's property shall be taken without due process of law?

Mr. HOLLAND. If there be any authority on that point, so far as the junior Senator from Florida is advised, it flows from the opinion of the Attorney General of the United States. I know of no court authority on the subject.

Mr. MAGNUSON. Mr. President, I wonder if the Senator will yield so that I may place an important matter in the RECORD.

Mr. HOLLAND. Mr. President, I am ready to yield the floor.

The VICE PRESIDENT. The Senator from Florida yields the floor.

EXTENSION OF AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, OR OPERATE VESSELS

Mr. MAGNUSON. Mr. President, on the calendar is a bill which would extend the authority of the Maritime Commission to sell, charter, or operate vessels. It was objected to on the call of the calendar 2 days ago. I have made inquiry of the Maritime Commission as to what would happen if this authority were not extended on June 30. I hope to be able to bring this question up tomorrow or the next day, because of its importance.

At this time I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter from the Maritime Commission which states very clearly what will happen if this authority is not extended.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES MARITIME COMMISSION,
Washington, June 22, 1949.

The Honorable WARREN G. MAGNUSON,
United States Senate.

MY DEAR SENATOR MAGNUSON: Pursuant to your verbal request of yesterday afternoon, I wish to briefly outline the effect upon the Commission's chartering activities in the event House Joint Resolution 235 is not enacted.

In the Alaskan Service, it is anticipated that, to adequately serve a minimum requirement of service between continental United States ports and Alaska, there will be 18 Government-owned war-built vessels under charter as at July 1, 1949. Privately owned American tonnage engaged in the Alaskan service at the moment is limited to seven steamships (of which four are combination passenger-cargo vessels with a limited cargo capacity), which would be all that would be immediately available at the peak season of transportation in the Alaskan service in the event House Joint Resolution 235 is not enacted. This would not meet the minimum requirements of the Territory.

In the coastwise and intercoastal trades, it is expected that 49 vessels will be under charter as at July 1, 1949. It is deemed essential that chartered vessels in these trades should be continued because the operators in these trades do not at the present time own sufficient vessels successfully to reestablish proper operation and service in these highly essential trades. For example, in the intercoastal trade, private tonnage does not exceed 19 vessels, whereas 41 of the 49 vessels anticipated to be under charter in the coastwise and intercoastal trades will be required adequately to service the intercoastal trades. It might be added that, of the privately owned vessels presently operating in the intercoastal trades, all but a very few are industrial carriers, and while they operate as common carriers, their principal business is the transportation of sulfur, lumber, and steel.

In the berth-liner operations of our foreign trade, it is anticipated that, as at July 1, 1949, 100 Government-owned vessels will be under charter to private American lines. These chartered vessels, supplementing privately owned tonnage, provide service over and above that believed necessary adequately to cover normal requirements.

Including approximately 100 vessels under subcharter to the Army by private charterers, the Commission anticipates there will be 214 Government-owned war-built vessels under charter as at July 1, 1949, engaged in bulk trading. In the event House Joint Resolution 235 is not enacted, available information indicates that there is not a sufficient number of privately owned vessels now available to transport the current foreign commerce of the United States. The Commission considers it essential that there should be a continuation of its authority to charter these Government-owned war-built vessels to the extent found necessary to provide transportation at reasonable rates.

While at present the vessels subchartered by bare-boat-charter operators to the Army are used primarily in the transportation of bulk commodities to occupied areas, withdrawal of the Commission's charters to the operators by failure of continuation of charter authority in the Commission will result, it is believed, in a request by the Army Transport Service to transfer directly from the Commission's fleet to the Department of the Army sufficient tonnage to enable the Army Transport Service to continue its present requirements for transportation to occupied areas.

Failure to continue the authority of the Commission to sell, charter, and operate vessels beyond June 30, 1949, would cancel the Commission's authority to sell war-built vessels. The Commission believes that such authority should be extended at least as long as its authority to charter such vessels. It has been estimated that approximately 60 additional war-built vessels may be sold during the fiscal year 1950 at sales prices in excess of $30,000,000.

Further, it should be pointed out that the charter operations of the Maritime Commission are producing a revenue to the Treasury of the United States approximating at this time $3,000,000 per month. At the same time, these operations produce no detrimental competition with privately owned vessels.

The elimination of this charter authority would simply mean:

(a) inadequate service to Alaska,

(b) disruption of domestic services,

(c) transportation of a much larger portion of our commerce in foreign-flag vessels, and

(d) the probable transfer of vessels from the Maritime Commission to the Army to be operated as Army transports. Such transferred vessels would replace vessels at present under sub-charter to the Army by bare-boat charterers of Government-owned war-built vessels.

The Commission has so exercised its chartering authority and will continue so to exercise that authority with appropriate limitations and restrictions as to prevent detrimental competition on the part of charterers of Government-owned vessels with privately owned United States flag vessels.

Identical letter is addressed to Senator BREWSTER at his request. Copies are being sent to Judge Bland, Chairman, Merchant Marine and Fisheries Committee of the House, and Senator JOHNSON, Chairman, Interstate and Foreign Commerce Committee of the Senate.

Sincerely,

PHILIP B. FLEMING,
Chairman.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. TAFT. Is the bill which the Senator hopes to bring up on the calendar?

Mr. MAGNUSON. It is now on the calendar. It was objected to at the last call of the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representative, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 25 and 39 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

VIRGIN ISLANDS CORPORATION—CONFERENCE REPORT

Mr. O'MAHONEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That, in order to promote the general welfare of the inhabitants of the Virgin Islands of the United States through the economic development of the Virgin Islands, there is hereby created a body corporate to be known as the Virgin Islands Corporation, hereinafter referred to as the 'Corporation.' The Corporation shall be subject to the general direction of the President of the United States, or the head of such agency as he may designate as his representative.

"SEC. 2. The Corporation shall have its principal offices in the Virgin Islands and in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be an inhabitant of each of these jurisdictions. The Corporation may establish offices in such other place or places as it may deem necessary or appropriate in the conduct of its business.

"SEC. 3. Subject to the provisions of the Government Corporation Control Act, the Corporation is authorized to engage in the following activities when it finds that such activities will further the purposes of this act and will not conflict with the encouragement and promotion of private enterprise in the Virgin Islands:

"(a) To examine, investigate, and conduct research and experimentation in the marketing, distributing, advertising, and exporting of products or resources of the Virgin Islands, and to make known the results of such activities.

"(b) To encourage and promote the investment of private capital in industrial, agricultural, commercial, or related enterprises, undertakings, or activities in the Virgin Islands. Insofar as may be possible without jeopardizing the maximum development of the industrial, agricultural, commercial, and related resources of the Virgin Islands for the public good, the Corporation shall formulate its policies so as to encourage and promote the investment of capital owned by residents of the Virgin Islands.

"(c) To engage in land-use planning to the end that the most economic and socially beneficial use may be made of the soil of the Virgin Islands, and to encourage and assist private persons and organizations to act in accordance with the results of such planning.

"(d) To encourage and engage in the business of providing, whenever adequate facilities are not otherwise available, transportation for persons and property between the Virgin Islands and to and from the Virgin Islands, Puerto Rico, and Tortola.

"(e) To encourage, promote, and develop, and to assist in the encouragement, promotion, and development of, tourist trade in the Virgin Islands.

"(f) To encourage the establishment and development of small farms and small-farm communities in the Virgin Islands, and, for that purpose, to construct, equip, improve, and supervise such small farms or communities and to give other assistance to them.

"(g) To make loans to any person for the establishment, maintenance, operation, construction, reconstruction, repair, improvement, or enlargement of any industrial, commercial, agricultural, or related enterprise, undertaking, or activity in the Virgin Islands whenever such loans are not available from private sources. All loans so made shall be of such sound value or so secured as reasonably to assure repayment, taking into consideration the policy of the Congress that the lending powers of the Corporation shall be administered as a means for accomplishing the purposes stated in section 1 of this act, and shall bear interest at a rate not exceeding 6 percent per annum. It shall be the general policy of the Corporation to establish interest rates on loans, subject to the foregoing limitations, that, in the judgment of the Board of Directors, will at least cover the interest cost of funds to the United States Treasury, other expenses of the lending activities of the Corporation, and a risk factor which, over all, should provide for losses that may materialize on loans. The loans made under the authority of this paragraph outstanding at any one time shall not exceed a total of $5,000,000.

"(h) To establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands: *Provided*, That the Corporation shall not engage in the manufacture of rum or other alcoholic beverages.

"SEC. 4. The Corporation shall have, and may exercise, the following general powers in carrying on the activities specified in section 3 of this act:

"(a) To have succession until June 30, 1959, unless sooner dissolved by act of Congress.

"(b) To adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) To adopt, amend, and repeal bylaws governing the conduct of its business, and the performance of the powers and duties granted to or imposed upon it by law.

"(d) To sue and to be sued in its corporate name.

"(e) To determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations.

"(f) To acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation.

"(g) To enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, or corporation, as may be deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation: *Provided*, That in no case shall the Corporation contract to undertake an activity for any agency or instrumentality of the United States, or for any State, Territory, or possession, or for any political subdivision thereof, unless the latter is authorized by law to undertake such activity and furnishes the funds for such purpose.

"(h) To execute all instruments necessary or appropriate in the exercise of any of its functions.

"(i) To appoint, without regard to the provisions of the civil-service laws, such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation; to fix and pay such compensation to them for their services as the Corporation may determine, without regard to the provisions of the classification laws except to the extent that these laws may be extended to the Corporation by the President of the United States; and to require bonds from such of them as the Corporation may designate, the premiums therefor to be paid by the Corporation. In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States or his representative to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board. Persons employed by the Corporation shall not be included in making computations pursuant to the provisions of section 607 of the Federal Employees Pay Act of 1945, as amended. The Corporation shall give due consideration to

residents of the Virgin Islands in the selection and promotion of its officers and employees.

"(j) To use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

"(k) To have, in the payment of debts out of bankrupt or insolvent estates, the priority of the United States.

"(l) To accept gifts or donations of services, or of property—real, personal, or mixed, tangible or intangible—in aid of any of the activities authorized by this act.

"(m) To settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation.

"(n) To take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

"SEC. 5. The Corporation in carrying on the activities authorized by this act shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government or of the government of the Virgin Islands; and shall not engage in any undertaking which substantially duplicates an undertaking previously initiated and currently being prosecuted within the Virgin Islands by any such agency or instrumentality.

"SEC. 6. (a) The Corporation is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $9,000,000 outstanding at any one time. For this purpose appropriations not to exceed $9,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Corporation from the revolving fund when requested by the Corporation. Not to exceed a total of $2,750,000 shall be appropriated under any authority contained in this act for the period ending June 30, 1951, comprising the fiscal years 1950 and 1951.

"(b) As the Corporation repays the amounts thus obtained from the Treasury, the repayments shall be made to the revolving fund.

"SEC. 7. (a) The Corporation is hereby authorized to use its funds, from whatever source derived, in the exercise of its corporate powers and functions: *Provided, however*, That the Corporation shall not undertake any new types of activities or major activities not included in the budget program submitted to the Congress pursuant to section 102 of the Government Corporation Control Act, except when authorized by legislation enacted by the Congress after said program is submitted, or except, when the Congress is not in session, upon finding made by the Corporation and approved by the President of the United States that an emergency exists which justifies the undertaking of new types of activities authorized by this act, but not included in the budget program. Such finding and emergency action shall be reported to the Congress by the President, and appropriations for the expenses of such emergency action are hereby authorized.

"(b) The Corporation shall pay into the Treasury as miscellaneous receipts interest on the advances from the Treasury provided for by section 6 (a) of this act; on that part of the Government's investment represented by the value, at the time of transfer of the property and other assets transferred, less the liabilities assumed, pursuant to section 10 of this act; and on the net value, as approved by the Director of the Bureau of the Budget, of any property and assets, the ownership of which hereafter may be transferred by the Government to the Corporation without cost, or for consideration clearly not commensurate with the value received. The Secretary of the Treasury shall determine the interest rate annually in advance, such rate to be calculated to reimburse the Treasury for its cost, taking into consideration the current average interest rate which the Treasury pays upon its marketable obligations.

"(c) The Corporation shall after June 30, 1949, contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the Corporation's employees and their beneficiaries. The Corporation shall also after June 30, 1949, contribute to the Employees' Compensation Fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts.

"SEC. 8. (a) Appropriations are hereby authorized for payment to the Corporation in the form of a grant, in such amounts as may be estimated in advance in the annual budget as necessary to cover losses to be sustained in the conduct of its activities which are included in the annual budget as predominantly revenue producing. The Corporation's annual budget program shall specifically set forth any loss sustained in excess of the grant previously made for the last completed fiscal year. Appropriations are hereby authorized for payment to the Corporation to cover such additional losses incurred.

"(b) Appropriations are also authorized for payment to the Corporation in the form of a grant, to be accounted for as general funds of the Corporation, in such amounts as may be necessary to meet expenses to be incurred for specific programs which are included in the annual budget as not predominantly of a revenue-producing character: *Provided, however*, That (1) in the case of activities of a predominantly non-revenue-producing character the expenses shall not exceed the amounts of the grants for these activities, and that (2) the funds granted under this subsection shall be expended only upon certification by a duly authorized certifying officer designated by the Corporation, and the responsibilities and liabilities of such certifying officer shall be fixed in the same manner as those of certifying officers under the act of December 29, 1941 (55 Stat. 875), as amended (31 U. S. C. 82b–g).

"(c) The Board of Directors shall have the power and duty to appraise at least annually its necessary working capital requirements and its reasonably foreseeable requirements for authorized plant replacement and expansion, and it shall pay into the Treasury of the United States any funds in excess thereof. Such payments shall be applied, first, to reduce the balance attributable to advances outstanding under section 6 (a) and, second, to the Government's investment represented by the value of the net assets transferred under section 10 of this Act and any subsequent similar investments by the Government in the Corporation.

"SEC. 9. The management of the Corporation shall be vested in a Board of Directors consisting of seven members, including the Secretary of the Interior, the Secretary of Agriculture, the Chairman of the Reconstruction Finance Corporation, the Governor of the Virgin Islands, and three experienced businessmen who shall be appointed by the President of the United States.

"The Board shall select its Chairman. The appointed directors shall serve for a period of six years, except that (1) any director appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term, and (2) the terms of office of the directors first taking office after the date of enactment of this Act shall expire, as designated, by the President at the time of appointment, one at the end of two years, one at the end of four years, and one at the end of six years, after the date of enactment of this Act. Qualifications of Board members shall include demonstrated ability, attachment to the public interest, impartiality, and diversified experience among its members. The Board shall be responsible for over-all policy making and general supervision. The Board shall meet at least quarterly, at least one of which meetings each year shall be held in the Virgin Islands. The Board of Directors shall act only by a majority vote of those present at a meeting attended by a quorum, and such quorum shall consist of four directors. Subject to the foregoing limitation, vacancies in the membership of the Board shall not affect its power to act. The directors shall receive no salary for their services on the Board, but under regulations and in amounts prescribed by the Board, with the approval of the President or his representative, may be paid by the Corporation reasonable per diem fees, and allowances in lieu of subsistence expenses, for attendance at meetings of the Board and for time spent on official service of the Corporation, and their necessary travel expenses to and from meetings or when upon such official service, without regard to the Travel Expense Act of 1949. The administrative functions shall be centered in a staff of full-time executive officers headed by a president appointed by the Board. The president shall be responsible to the Board for the execution of programs and policies adopted by the Board and for the day-to-day operations of the Corporation. Between meetings of the Board, the Chairman shall see that the Corporation faithfully executes the programs and policies adopted by the Board.

"SEC. 10. (a) There is hereby transferred to the Corporation the following property:

"(1) All property—real, personal, and mixed—now operated by the Virgin Islands Company on behalf of the United States, except the property now operated by that Company for the Department of the Interior which was conveyed to that Department by revocable permit from the Navy Department under agreement dated January 1, 1948. The value of the property so transferred shall be fixed at the depreciated cost as of June 30, 1947, shown in schedule 1 of the Comptroller General's report on the audit of the Virgin Islands Company for the fiscal year ended June 30, 1947, adjusted for all changes from that date to the date of transfer, including depreciation at the rates set forth in said schedule 1.

"(2) All the assets and property—real, personal and mixed, tangible and intangible—of the Virgin Islands Company. The value of the property so transferred shall be fixed at the value shown on the books of the Virgin Islands Company at the date of transfer, subject to any adjustment deemed necessary as a result of the audit required to be made by the Comptroller General under section 105 of the Government Corporation Control Act.

"(3) All of the interest of the United States in the property known as Bluebeard's Castle Hotel situated in the island of Saint Thomas in the Virgin Islands. The value of the property so transferred shall be fixed at a value approved by the Director of the Bureau of the Budget.

"(b) The Corporation shall assume and discharge all of the liabilities of the Virgin Islands Company: *Provided, however*, That such liabilities shall not be deemed to include the balance of relief grants held by the Virgin Islands Company which are invested in the assets and property embraced by paragraph (a) (2) of this section, and such

balances shall become part of the investment of the United States in the Corporation.

"SEC. 11. The Secretary of the Interior, the Under Secretary of the Interior, and the Governor of the Virgin Islands, who are the stockholders of the Virgin Islands Company, a corporation created by ordinance of the Colonial Council for Saint Thomas and Saint John, Virgin Islands of the United States, are hereby authorized and directed to take such steps as may be appropriate to dissolve the said Virgin Islands Company.

"SEC. 12. Section 5 of the act of May 26, 1936 (49 Stat. 1372, 1373; 48 U. S. C., 1946 ed., sec. 1401d), is hereby amended to read as follows:

" 'The Virgin Islands Corporation shall pay annually into the municipal treasuries of the Virgin Islands in lieu of taxes an amount equal to the amount of taxes which would be payable on the real property in the Virgin Islands owned by the Virgin Islands Corporation, if such real property were in private ownership and taxable, but the valuation placed upon such property for taxation purposes by the local taxing authorities shall be reduced to a reasonable amount by the designee of the President of the United States as provided in section 1 of the Virgin Islands Corporation Act if, after investigation, he finds that such valuation is excessive and unreasonable, and any such reduction in valuation, together with the findings on which it is based, shall not be reviewable by any court. The Virgin Islands Corporation shall also pay into the municipal treasuries of the Virgin Islands amounts equal to the amounts of any taxes of general application which a private corporation similarly situated would be required to pay into the said treasuries. Similar payments shall be made with respect to any property owned by the United States in the Virgin Islands which is used for ordinary business or commercial purposes, and the income derived from any property so used shall be available for making such payments: *Provided, however*, That the payments authorized by this section shall not include payments in lieu of income taxes, capital stock taxes, or franchise taxes.'

"SEC. 13. Section 101 of the Government Corporation Control Act is hereby amended by striking out the words 'The Virgin Islands Company' and inserting in lieu thereof the words 'Virgin Islands Corporation.'

"SEC. 14. This Act shall become effective on June 30, 1949.

"SEC. 15. This Act may be cited as the 'Virgin Islands Corporation Act.' "

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

JOSEPH C. O'MAHONEY,
ROBT. S. KERR,
HUGH BUTLER,
GUY CORDON,
Managers on the Part of the Senate.

J. HARDIN PETERSON,
MONROE M. REDDEN,
RICHARD J. WELCH,
FRED L. CRAWFORD,
Managers on the Part of the House.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

Mr. O'MAHONEY. Mr. President, earlier today the House of Representatives approved the conference report on the bill to incorporate the Virgin Islands Corporation. I have just submitted the report of the conferees, which is a unanimous report on the part of the conferees of both Houses.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. PEPPER. Mr. President, I wish to make a few brief observations. It has been stated that under the Taft-Hartley law the President of the United States is authorized to exercise discretion as to whether or not to employ the weapon of the injunction. A great point was made, evidently, in the opinion of the spokesman, that the President had made the decision in favor of injunction, and that by inference, therefore, the President favored the process of injunction.

The duty of the Chief Executive is to see to it that the laws are executed. The Congress had provided this method of dealing with management-labor disputes; and while the President was not obligated, perforce, to direct the Attorney General to seek an injunction, that was obviously what the Congress had contemplated he should do in case of work stoppages in situations which were, in the opinion of the President, national emergencies.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I shall be glad to yield in a moment.

But, Mr. President, it should be remembered that the same Chief Executive who directed his Attorney General, under the Taft-Hartley law, to seek the injunction, has recommended that the law be changed, and that the power of the President to direct his Attorney General to seek the injunction be taken away. I think that is far more persuasive, when we are dealing with what the policy of the Congress and the country should be, than what the President did under a law which is on the statute books of the land.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield first to the Senator from Missouri.

Mr. DONNELL. Mr. President, I think the Senator agrees with me, does he not, that under the Taft-Hartley Act it is entirely optional whether the President shall or shall not direct the Attorney General to institute injunction proceedings?

Mr. PEPPER. I would not say that it is entirely optional with the President, this reason: When Congress provides a course of action which seems to be the public policy, which seems to be the way Congress contemplates this matter shall be handled, it seems to me that the President is not as free in his discretion as he would be, for example, under the Thomas bill, or as he would be did not the Thomas bill or the Taft-Hartley bill become a part of the law of the land. Then he would be entirely free.

But let me emphasize that under the Thomas bill the President would have the power to request the Board which he appoints to make recommendations. He does not have that power under the Taft-Hartley law.

Mr. DONNELL. Mr. President, will the Senator further yield?

Mr. PEPPER. Moreover, the Thomas bill makes it the duty of the workers not to cease work after the Presidential proclamation, and to resume work after the Presidential proclamation if a work stoppage has occurred. That places on the workers a duty, imposed by the law of the land, not to have a work stoppage. Mr. President, that is not the Taft-Hartley law.

Under that law the President had no statutory admonition, no statutory duty declared by Congress as to what the duty of the workers was. So it could hardly be said that the President would exercise his general constitutional powers or the general authority he might have in the absence of the Taft-Hartley law, because the Taft-Hartley law contemplated only a fact-finding board without the power to make recommendations, and it contemplated injunction in case the parties to the dispute did not settle it themselves upon the basis of the information disclosed by the fact-finding board.

I say that the discretion of the President was very severely limited not only by the provisions but by the philosophy of the Taft-Hartley law, which was enacted by the Congress.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. I wish to ask the Senator a question. When he rose, I understood he was making the point that it has been asserted here that the President has exercised an option under the Taft-Hartley law, and I understand that the Senator was pointing out that it is an entirely free option, so far as the President is concerned.

Mr. PEPPER. Let me say that, on the contrary, I was controverting the point and argument the Senator from Missouri attempted to make, namely, that the finding of the President that he had to resort to the injunction was persuasive upon us to retain that power for the President because even the President said there was nothing else that could be done. I was saying that is not what the President has said to us. That is what the President did under the Taft-Hartley law.

But the President says to us, in substance, about what Mr. Ching said, namely, that the injunction is not the effective way to settle labor-management disputes; and he recommends to the Congress that the power he now possesses be deleted from the law.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. However, the Taft-Hartley law does not make it mandatory upon the President to direct the Attorney General to seek injunctions.

Mr. PEPPER. Yes.

Mr. DONNELL. On the other hand, it distinctly says that the President may direct the Attorney General to do so.

Mr. PEPPER. That is correct.

Mr. DONNELL. So is it not true that under the Taft-Hartley law it is left entirely to the discretion of the President as to whether he will or will not direct the Attorney General to petition the district court for an injunction?

Mr. PEPPER. Technically and legally, yes. But the President of the United States is now telling the Congress

that he believes there are other methods by which these disputes can better be settled, rather than by letting the President have this power, which he did exercise under the Taft-Hartley law.

I say that now we are not executing a law, but we are talking about legislation; we are formulating public policy. I think what the President recommends from his experience is worth more as an example and guide to us than what he did from a sense of duty in the executive of a law enacted by the Eightieth Congress.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. If the President felt that the seeking of an injunction would aggravate a dispute, as is claimed by those on the other side, surely he was under no compulsion, because of the Taft-Hartley law, to seek an injunction.

Mr. PEPPER. Let me say that had the President not resorted to the injunction which the Taft-Hartley law made the principal weapon for the settlement of these disputes, then if the fact-finding board's disclosures did not cause the parties to settle the dispute, the advocates of this measure would have been denouncing the President, both in the Congress and in the country generally, for not doing his duty under that law. They would have said that the Congress had provided that weapon, and they would have asked why the President did not use it. If he had been trying to employ other methods which he thought would get better results, he would have been castigated for not doing his duty and not seeking an injunction.

But I say that from his experience he says he believes it is better for any President not to have that power.

Mr. TAFT. I have not heard the President tell the Congress that. All I have heard him tell the Congress is, "I want the Taft-Hartley law repealed because I promised to have it repealed."

I have not heard the President state any reasons for wanting it repealed or make any statement that, on his part, he made a mistake in using the injunction.

Mr. PEPPER. I am not saying that he said he made a mistake in doing that. I say that through his messages to the Congress and through his Secretary of Labor he has made it clear that he thinks the Taft-Hartley law should be repealed, and, of course, that is based on his knowledge and experience with the Taft-Hartley law.

Mr. TAFT. Does not the Senator from Florida think that if the President believed that intervention by means of the injunction would make it more difficult to settle a strike and would provide a heating-up period, rather than a cooling-off period, it would have been his duty to make that statement to the public, and thus answer any argument about failure to use the injunction?

Mr. PEPPER. Again I say that the duty of the President is to see that the law of the land is executed. If Congress provides a bad method for the Executive to employ in a given situation, I think it is the duty of the President to use even the bad method, but it is also his duty to tell the Congress that he thinks it made a mistake in providing him a bad weapon, and that he hopes the Congress will give him a better one.

Mr. TAFT. Or to have no weapon at all, as provided under the Thomas bill.

Mr. PEPPER. Mr. President, none of us in this body—although no doubt some of us could be persuaded to do so in particular situations—has taken the oath as Chief Executive of this land. No one in this Chamber has a greater responsibility for the national health and safety than has the President of the United States. If he, with that awful responsibility upon him, having had these experiences which do make an exacting demand upon the Executive, out of those experiences tells the country, before his election, and tells the Congress, after the election, that he thinks the principle and philosophy and provisions of the Taft-Hartley law are contrary to the public interest, I know of no one who can speak with better authority. I know of no one who has a greater interest in that matter than does the Chief Executive.

Mr. BREWSTER and Mr. DONNELL addressed the Chair.

The VICE PRESIDENT. Does the Senator from Florida yield; and if so, to whom?

Mr. PEPPER. I yield first to the Senator from Maine, and then I shall yield to the Senator from Missouri.

Mr. BREWSTER. Mr. President, I am sure we are very much impressed with the respect the Senator from Florida accords to the opinion of the President. I am sure all of us share that respect.

However, as I recall, the President was not equally persuasive, to use the language of the Senator from Florida, when he recommended to this body the passage of a draft act for American labor under the railroad-labor legislation which was proposed here. At that time, as I recall, the Senator from Florida could not see the wisdom of accepting the Presidential advice, in spite of his high office and responsibility. Is that correct?

Mr. PEPPER. That is correct. But let me say that that is consistent with what I was just trying to say. I think the President of the United States has had a unique experience in this field. He has had to deal with the problem in peacetimes, when he got all the shock of these peacetime controversies; and he generally had to use peacetime powers to settle them. I dare say the President's own thinking about this subject has undergone many modifications. Perhaps at one time he did feel that the Congress should give him the draft power. However, he never repeated the recommendation. But his mind is very clear about the Taft-Hartley law; I do not think anyone will dispute that. I think he has made those views very clear to the country; and I think his experience is worthy of recollection and deference by the Senate.

But what I principally arose for, before we conclude this day's debate, was to settle two or three matters.

Mr. DONNELL. Mr. President, will the Senator yield to me, before we conclude this day's debate?

Mr. PEPPER. I yield.

Mr. DONNELL. I understood the Senator from Florida to say that the President had come to the conclusion that he ought not have this power that is conferred under the Taft-Hartley law.

Mr. PEPPER. In respect to the injunction power.

Mr. DONNELL. Let me ask the Senator a question. Does his recollection accord with mine that after the Attorney General of the United States had ruled in a letter to the chairman of the Committee on Labor and Public Welfare that the President possesses inherent power, the President gave to the press an interview in which he stated that he does have such power and that the Nation could expect him to take care of the national interest? Did not he so state?

Mr. PEPPER. Mr. President, the Taft-Hartley law is a statutory enactment, not a constitutional provision. Whatever power under the Federal Constitution the President has, he had when the Taft-Hartley Act was enacted, and he will have, until the Constitution is changed. We are not debating here the changing of the Constitution, nor are we trying to define as prognosticators the judicial decisions of the future as to what is the power of the Chief Executive of the United States of America in a national crisis. We are only asked here to enact legislation. Certainly the Senator from Missouri would not infer that the President wishes the Taft amendment or the amendment of my distinguished colleague or any other injunction amendment added to the Thomas bill.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. I certainly do not infer that the President is advocating the Taft-Hartley Act.

Mr. PEPPER. I think we can all agree on that.

Mr. DONNELL. We can agree on that. But the Senator, with all due deference, did not answer my question as to whether his recollection accords with mine generally, that on the day following the rendition of the opinion by the Attorney General that the President has inherent power, the President, in a press conference, indicated to the reporters present that he does have such power. Consequently, Mr. President, I ask the Senator, if the President is correct, then the elimination of the injunctive power from the Taft-Hartley Act would not deprive him of that power? Am I not correct?

Mr. PEPPER. Mr. President, there is no provision before the Senate, no amendment offered by any Senator, which would make it outside the scope of the power of the Chief Executive to seek an injunction under any constitutional power he has. There is no Senator offering such an amendment.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I think that is not a correct statement, because so far as I know, all those who contend that there is such a power on the part of the President to

get an injunction admit that it may be regulated and prescribed by congressional action. Therefore, I would say that the provisions of the amendment which we offered circumscribe and limit the power of the President to seek injunctions in national emergency disputes, and I think every authority who claims that there is such a power is agreed that if Congress acts, that prevails over the claimed constitutional power to seek any kind of injunction for any purpose whatever.

Mr. PEPPER. Mr. President, I rather regard what the able Senator from Ohio has said as confirming the point I was trying to make. The Senator from Ohio would expressly give the President the power to seek an injunction. I said if the President has any power under the Constitution of the United States to seek an injunction, unless Congress shall deny it to him by statute, I know of no Senator proposing to deny to him an inherent power that he may have or may think he has. Whatever he may have and whatever he does have is a fact. But we are passing here upon a proposal that specific power be conferred upon him to seek an injunction, and surely everyone knows the President is opposed to that, and as I say, nobody is seeking to curb any general power, outside this labor legislation, which he may otherwise possess.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. I yield.

Mr. TAFT. I say our amendment does curb his power, that where Congress legislates on the subject and prescribes the method and the extent to which an injunction may be used in a national emergency labor dispute, it curtails and limits the so-called constitutional power which the President might have if there were no legislation on the subject.

Mr. PEPPER. Mr. President, it is entirely possible that, just as when Congress once steps into the field of interstate commerce, even though it be by a limited action that Congress may take, once having acted at all, it preempts the field. I think it is entirely possible the Senator from Ohio is right in the legal point he makes, that if Congress legislates upon the subject positively, the President is limited, or might be limited. Certainly, so far as his statutory power is concerned, he would be limited. If he has a constitutional power beyond the statute, we could not limit it anyway, because it is inherent in the law of the land. But, certainly, so far as the President's statutory power is concerned, of course, he must exercise it the way we provide he must exercise it. But I am simply saying, in respect to what the able Senator from Missouri said, that if the President indicated that he thought he had any general power, and if he was right, I suppose he still has it, unless we deny it to him by statute. And I know of no Senator proposing that even if we do not pass the Taft amendment or the Holland amendment or some other injunction amendment, the President shall not have the power to seek the injunction in a labor dispute.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. With all due deference and respect to my good friend from Florida, I have not yet received an answer to my question, which I have asked twice, and which I ask the third time. Does the Senator's recollection accord with mine, that on the day following the rendition of an opinion by the Attorney General, the President stated to the press that he does have this inherent power and that he will take care of the country when conditions of this kind arise?

Mr. PEPPER. It is my recollection that, referring not to this statute, or the Taft-Hartley law, but to his general power as Chief Executive, he did say something to that effect. I say I do not know whether the President was right or wrong. I suppose the answer to it will be what the courts will hold sometime in the future if the Chief Executive should seek to exercise the power. But whether he has it or does not have, it is not the question we are called upon to pass upon here today. If he does have it, we in the Senate are not trying to take it away from him, so far as I now know.

We are proposing, on the contrary—that is, the Senator from Ohio and my distinguished colleague are proposing—not to rely upon the power the President seems to think that he possesses, but to give it to him in express language, by a specific provision to the effect that he can direct the Attorney General after a proclamation in a national emergency case to seek an injunction.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. I yield.

Mr. TAFT. The point I want to make is not, of course, that the Taft amendment takes away from him the power to seek an injunction. But I suggest that it limits it. If this inherent constitutional power exists at all, which I question, under it he could get an injunction for an indefinite period. We limit it to 60 days. He could get an injunction in any dispute which he claimed constituted a national emergency. We limit it to strikes which threaten to imperil the health and safety of the people of the United States. In other words, my suggestion is that, while there is nothing before the Senate proposing to wipe out that power, there is a very definite proposal to curtail it, to tailor it to the extent we think proper.

Mr. PEPPER. Mr. President, the Senator from Ohio does not propose to curtail it very much, except that he limits it to 60 days. I really rose to clarify what the Senator from Ohio and the Senator from Florida really mean to accomplish by their amendments. Mr. President, listen to the Taft amendment, on page 5:

> If the court finds that such threatened or actual strike or lock-out—
>
> (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and
>
> (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof or to authorize the President to take immediate possession and through such agency or department of the United States as he may designate to operate such industry, or both, and to make such other orders as may be appropriate.

I would not say there is very much limitation in that language, except as to the 60 days. The injunction is only effective for 60 days.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. The point I was making to the Senator from Florida was this: The senior Senator from Florida was making the point that, although it had been asserted by his junior colleague that the President had chosen, under the Taft-Hartley Act, exercising an option, to secure an injunction, nevertheless the President had concluded that the President ought not to have this power. The question I was addressing myself to, and which I now address myself to, is this: If the President has concluded that he ought not to have this power given to him by the Taft-Hartley law, the utterance which he made to the press that he does have such power and that he will take care of the country in such situations, is entirely inconsistent with the conclusion that he thinks he should not have it.

Mr. PEPPER. On the contrary, it seems to me that the President's statement indicates that he does not think Congress should pass this legislation, that he has the power and the means, with the general authority of his office, and later, by the provisions of the Thomas bill which, of course, he is supporting, to handle these problems in an effective way, and he does not think it is in the public interest for Congress to pass the proposed legislation embodied in the Taft amendment and in the amendment of my distinguished colleague.

Mr. DONNELL. Then, would this conclusion be correct, from what the Senator says, that the President, therefore, does not favor limiting the power which the President thinks is broader than that which is conferred by the Taft-Hartley Act?

Mr. PEPPER. No. I do not think that is a fair inference. I was only trying to make the point for argument, and I thought it had some validity. I am sorry if my friend does not agree with me. There are only 96 Senators, with only a limited sphere of responsibility. While we are all obligated with respect to the national welfare, it is a little odd that we, being the possessors of the legislative

power, should wish to put our judgment about the power the President should have above the experience and the recommendation of the President himself with respect to the national safety. If he, the Commander in Chief of the Army and Navy, and the Chief Executive of the land, does not think this power is necessary, it seems to me that I am not obligated, by compulsory logic, to thrust it upon him, especially when his experience seems to be that, in his opinion, it is contrary to the public interest and ought not to be continued. I do not want to labor the point; I leave it for what it is worth.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. Does the Senator understand that, generally speaking, the President claims he possesses all this power independently of what Congress may do about it?

Mr. PEPPER. My suggestion to the Senator from Missouri would be that if he wants to use the injunction, he is fortified by the opinion of the President and of the Attorney General that he has the power anyway. The Senator from Missouri would not appear to be quarreling with the President. He wants to reenforce the President's opinion and give him a statutory degree of preferment. On the contrary, the Senator from Florida, and those of us who share the same sentiment, say that what power the President has he has. "The moving finger writes, and having writ, moves on." We are passing upon a statute here. We say we are not, in our opinion, justified in giving the President statutory power to seek an injunction. We do not favor the injunction in a labor dispute. If the Senator from Missouri does not want to see the injunction employed, then he will vote against the Taft amendment and the Holland amendment and offer an amendment providing that the President of the United States, in the absence of authority from Congress, shall not seek an injunction in any case of a labor dispute.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. DONNELL. I ask the Senator if he is even remotely suggesting that my position is that I do not favor the use of the injunction in national emergencies?

Mr. PEPPER. I think the opinion of the Senator is about as clear as is the opinion of the President on the Taft-Hartley law.

Mr. DONNELL. Is not the Senator perfectly clear that I advocate the use of the injunction in the case of national emergencies threatening national health and safety?

Mr. PEPPER. I am clear about that.

Mr. DONNELL. The Senator also understands that I have not at any time conceded that the President of the United States has the broad inherent power which he claims.

Mr. PEPPER. The Senator is of the opinion that the President does not possess that power.

Mr. DONNELL. The Senator has never heard me make any concession that the President does have that power.

Mr. PEPPER. Very well.

Mr. DONNELL. I ask the Senator whether he has ever heard me make any concession at any time that the President does have such power.

Mr. PEPPER. I think the Senator has made it clear in committee that he thinks the President does not possess such power; and, being the good lawyer he is, I should not think he would be agitated by any words the President might express at one of his press conferences.

Mr. DONNELL. I am not agitated, but I ask the Senator if he does not think the suggestion made by the Senator himself that, on the one hand, the President has the power and should not have the power provided in the Taft-Hartley law, is inconsistent with a reassurance to the country the next day that he has it and will take care of the interests of the country.

Mr. PEPPER. No. If I may say so to my friend, I think the President was simply saying at a press conference what every other President, I think, has thought, namely that he has the power as President to do a great many things to save America from dissolution and destruction. I think the President was expressing an opinion, out of considerable experience in management-labor disputes, that he did not have to have the Taft-Hartley law in order to save America from destruction from within by those who are parties to a management-labor dispute. I thoroughly agree with him. I think our history, up until October, 1947, justifies the opinion the President expressed, as does also the conduct of previous Chief Executives.

But, Mr. President, I should like to clarify these amendments. I want to understand from the Senator from Ohio and from my distinguished colleague, first, during the period of the injunction, whether the profits from the enterprise would go to the Government or to the owner of the enterprise.

I should like to have the attention of the Senator from Ohio, because there are two or three points I desire to clear up with reference to the Taft amendment and the amendment offered by my distinguished colleague.

Am I correct in my assumption that under the Taft amendment, during the time of the injunction, if one were obtained, the profits of the enterprise would go to the owners of the enterprise and not to the Government?

Mr. TAFT. The amendment makes no specific provision in that respect. It leaves the entire matter subject to the general rule that the person whose property is taken is entitled to fair compensation. How he gets it, I do not know. In most cases in which the Government has seized plants it has been considered that the profits made by the Government during that period are fair compensation for the use of the plant. I should expect in most cases that that would be the result, particularly when the period is only 60 days and the Government is in and out in a very brief period. I doubt very much that the Government would try to figure out the profits. It would doubtless say that whatever profits there are came from the 2 months' operation, which, incidentally, are very difficult to separate from profits made the rest of the year. The Government would probably say what it has said in the past, that the profits, if any, constitute fair compensation, and the owner would probably say, "Yes, I think they do." So I think the Senator is correct in believing that under the actual operation of the Taft-Hartley Act the profits of the plant would go to the owner as just compensation for the property which had been taken over by the Government.

I might add that if there are losses during the 2 months, probably the owner would not get any compensation other than the losses.

Mr. PEPPER. Will my distinguished colleague explain the point with reference to his amendment.

Mr. HOLLAND. With reference to our amendment I would say that, in the first place, no seizure is included whatsoever. In the second place, there is no provision with reference to profits during the period for which the plant is operated by the Government. To make my answer complete, I will say to my distinguished colleague that it may cut one way or it may cut the other way.

In the case of an injunction which would continue a contract which was advantageous to the employer, it might operate to his advantage. In the case of a contract being continued which was advantageous to the employee, for instance, in the event the recession which is apparently on us, should become more pronounced, in the event that at the end of a contract period the employer fixed a deadline beyond which a reduction of wages or some other less satisfactory condition should be required by him as a condition for a new contract, the period of injunction would operate against the employer. So that I think it is fair to say that the act cuts both ways, and that so far as the amendment offered by myself and others is concerned, there is no reference whatever to the disposition of the profits during the interim, because profits or losses, as the case might be, would have to fall upon the employer.

Mr. PEPPER. Mr. President, the injunction would enjoin the work stoppage, but the Government would not take over the income, and would not take over the profits, and so on, as was contemplated under the Douglas amendment.

Mr. HOLLAND. The Senator is correct. There would be no seizure, and the purpose of the amendment offered by other Senators and myself, above all other purposes, was to get away from seizure, which we think would add another condition to the field of labor-industry relations and labor-industry law which would be undemocratic, which would not contribute any good result, and which in our humble judgment would, to the contrary, bring about very bad results, and we therefore oppose its inclusion.

Mr. PEPPER. The last point upon which I want to get the opinion of the authors of the two amendments is that they confer power on the court to enjoin a strike. In the amendment of the Senator from Ohio the power is vested in the court to enjoin the strike. It says that "if the court finds"—and the conditions are set out—"it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof." Is the amendment of my distinguished colleague and his associates similar in language to that, giving power to the court to enjoin a strike or a continuation thereof?

Mr. HOLLAND. The amendment offered by other Senators and myself varies in no respect from the so-called Taft substitute, except that it deletes from the so-called Taft substitute all reference whatever to seizure, and fails to include any provision of the substitute which has to do with seizure.

Mr. PEPPER. If the workers disobey the order of the court that they not stop work after the Presidential proclamation, or if, having stopped work, they disobey the order of the court to resume work, I desire to know whether under the power conferred by the amendments of the Senator from Ohio and my distinguished colleague the court could put the workers in jail.

Mr. TAFT. That would depend somewhat on the exact order of the injunction. The injunction issued in the coal case, as I remember, was an order to John L. Lewis as head of the union to order the workers to resume work. I forget just what the terms were. I do not think the injunction ran against any of the members of the union. I think it is conceivable an injunction might run against members of a union if they were acting concertedly. The general rule, as the Senator may well know, is that a man's right to quit work is entirely different from the right of employees to quit in concert because they are still employees under the terms of the Taft-Hartley law when they strike. They may agree to go on strike in order to enforce certain demands. That is a strike, and that is very different from the question of whether a man has a right to quit his work or not.

I would not like to answer the Senator as to whether an injunction issued would run against individual members of the union. I should think in most cases it would not. I should like to determine from further consultation whether it could run against individual members, but certainly it could be only if they were cooperating with the leaders of the union in the operation of a strike. That is a very different thing from the general question of whether a man wants to quit work or does not want to quit work.

Mr. PEPPER. There is no provision in the Taft-Hartley law as to whether they are supposed to be given immunity individually, but the amendment of the Senator from Ohio—and my distinguished colleague says his amendment contains the same language—confers upon the court jurisdiction to enjoin a strike or lock-out, or the continuation thereof.

Mr. TAFT. The purpose of the order is to make the men go back to work, there is no question about that, and remain at work during the 60 days. I think it is a very small limitation on their freedom to ask them to go on working under the contract which they themselves agreed to the year before if it is necessary to prevent a serious threat to the welfare of the people of the United States.

Mr. PEPPER. Will my distinguished colleague give us the benefit of his answer on this point?

Mr. HOLLAND. My answer would follow the lines followed by the Senator from Ohio, with this addition: As I observed the effectiveness of the injunction in the only case where there seemed to be disposition to ignore it, the courts were able to make it effective very quickly by making the punitive conditions imposed by the court run against the pocketbook of the union which was affected.

I would say that I believe that in the first instance the court would take that course. I believe that against whomever the injunction would be issued, as parties defendant, in the judgment of the court, there would of course be the contempt power, including all the attributes of contempt power ultimately.

Speaking only for myself, I think that there will be found in the length and breadth of this land no group of union men or of employers who will arrogate to themselves a position of such superiority and untouchability, beyond the reach of the courts, that they will refuse to obey the courts. To the contrary, the experience of the past 2 years indicates conclusively to me that union men, just as in the case of the other good people of this country, take the courts and all other parts of our Government as something which means a great deal to them, and they are willing as Americans to be amenable to the lawful orders of their courts. I think we will have no trouble in that field. If we should, I repeat, I think the first line of approach would be through the question of money, the union funds, and that the second would be directed against the leadership. As to whether it might be directed further than that I express no opinion, because I have not been able to make any careful study of it.

Mr. TAFT. Mr. President, will the senior Senator from Florida yield?

Mr. PEPPER. I yield to the Senator from Ohio.

Mr. TAFT. Let me read the language of the injunction in the coal case, which I think probably has gone to the Supreme Court, and is fairly customary:

> Ordered, that the defendant union and its officers, agents, servants, and employees, and all persons in active concert or participation with them, be and they are hereby enjoined pending the final determination of this cause by the Court from continuing the strike now in existence.

There is no specific mention of members, but it includes "all persons in active concert or participation" with the union officials, and the officers of the union.

The injunction furthermore orders that the union, acting through its president, shall instruct the members to return to work. Of course, if the member did not want to return he would not be violating the order.

> And it is further ordered that the defendants and each of them and their officers, agents, servants, and employees, and all persons in active concert or participation with them, be, and they are hereby, enjoined * * * from encouraging, causing, or engaging in a strike or lock-out at any bituminous coal mines covered by the agreement, or from in any manner interfering with or affecting the orderly continuance of work at the same coal mines.

Those are the general terms. I do not believe that the order runs against an individual member of the union, or that he could be put in jail for failure to go along with the general order, if the union itself was violating the injunction. And if the union was obeying the injunction, and a man quit because he did not want to work, that man certainly would be subject to the injunction.

Mr. PEPPER. Mr. President, Senators will see why I was trying to clarify this point. It is time we were talking about it here. We had something of a controversy like this in the committee. One group of persons told the American people "We are going to protect the national health and safety, and we are going to keep men from striking, from stopping work," which means, "We are going to make them work." That is the only way coal can be produced—make them work. And they would have the public believe that the Taft-Hartley law confers that power upon the court.

Now we have language here which is not limited to unions or to union leaders. The able Senator from Ohio and the authors of the provision in the Taft-Hartley law, when they authorized suits in the Federal courts against labor unions, or for labor wrongdoing, limited recovery to the assets of the union, and exempted from liability the individual members of the union. So, if the authors want to exempt the individual from those pains and penalties they obviously know how to do it.

Now, Mr. President, we are called upon here to pass upon and to approve these words:

> The court shall have jurisdiction to enjoin any such strike.

What does that mean except to tell the men not to strike—not to stop work? I agree with the Senator that probably what is meant in that connection is something like concert of action, but of course a strike is concert of action, when they all quit because of a labor dispute.

> To enjoin such strike or lock-out or the continuation thereof.

What does that mean? If they are out it gives the court the power to make them go back to work.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. Does not the Senator recall the provisions of section 502 of the Taft-Hartley Act as follows:

SEC. 502. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

Does not the Senator recall that the term "strike" is defined as follows:

(2) The term "strike" includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement) and any concerted slow-down or other concerted interruption of operations by employees.

Mr. PEPPER. I am not talking about the individual case. I want these facts to appear, and I think they do appear from what my distinguished colleagues have said. First, during the time of the injunction the management would still derive whatever profit there was from the enterprise. Second, that it is the intention of all of the authors of the amendment to give the court power. I think they doubt if the court would always exercise it. The Senator from Ohio calls attention to the fact that the court did not in the coal case. They would give the court the power of making men work against their will for a private employer who derives the profit of the enterprise, while they are made to work for it, and if they do not do so, the court can put them in jail. That is the kind of amendment, in legal effect, we are called upon to approve.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. LONG. Is it not true in many of the wartime seizures, when the Government seized the plants, that it endeavored to induce management to remain and manage and operate the plants under Government authority?

Mr. PEPPER. That was the customary practice.

Mr. LONG. If we were to allow the management of the plant to make what they would make in just compensation, would not that have the effect of management winning the dispute, and continuing to control it, and making the profit right along, until finally the dispute was settled, while the workers were obliged to remain at work?

Mr. PEPPER. It would deny the workers their rights, and in a crucial industry it would amount to making the Government of the United States the ally of that industry, and to make the employees work at the same wage, under a court injunction for a period of as much as 80 days.

Mr. HUMPHREY. Mr. President, I have spoken to the distinguished Senator from Illinois, the majority leader. I told him I thought there might be one or two very conclusive observations which should be made about this afternoon's deliberations, in view of the fact that there is great controversy over a technical term here known as the injunction.

Mr. President, we are not here to argue about the legality and technicality of injunctions. The real question before the Senate and before the Congress, the real question that the people of this country are concerned about, is whether or not we can perfect labor-management legislation in this session of the Congress that will promote settlement of disputes.

I should like to direct my remarks to the distinguished junior Senator from Florida. Of course, an injunction keeps workers on the job. Of course, it keeps them on the job, because if they leave the job, as the senior Senator from Florida said, they may be fined or go to jail. Maybe some people like that kind of law. I do not believe people ought to be put in jail for their debts. I do not believe that people ought to be fined or have the threat of jail because they want to quit work. If someone wants that kind of law, let them have it. I am not going to vote for any such legislation.

The real question, it seems to me, is whether or not the injunction promotes the settlement of a dispute. I think the evidence is very clear on that point—it does not promote such settlement.

The question has been raised: What does the President think about this? Well, we know what the President thinks about this legislation. The question the people of America want answered is: What does the Congress think about it? And I believe there is, once in a while, some reasonable doubt as to whether we think clearly about it. I am not going to argue what the President did under the Taft-Hartley Act. I am only going to say that back in the days before they knew anything about the treatment of rheumatism, Mr. President, one so-called remedy was a quassia cup, in which water was allowed to remain until it became saturated with the bitter flavor of the quassia bark. People were told to drink it, in order to cure rheumatism. That was a remedy which was used for rheumatism. It did not cure it, but it did cause disturbance and dyspepsia.

I submit to the Senate, as a pharmacist, that for 150 years people drank out of a quassia cup as a cure for their ills without it ever once effecting any cure, without it ever once helping the poor victim. Yet people kept on drinking this bitter fluid because they were used to it.

We now find ourselves, Mr. President, in the situation where there are groups of people who are dedicated to the proposition that the injunction is a weapon or a tool that can be used for the settlement of labor disputes, despite the experience of 200 years to the contrary, despite the fact that the injunction has never once settled anything. All it has done is give a lawyer a job and a judge some trouble. That is all it has done. Nevertheless these people now know how to use the word "injunction." They would establish one of these voodoo rules. What they purpose doing reminds me of the French doctor, Mr. Coué, who came over to the United States in the 1920's. He went around the country telling people, "If you say the same words over and over and over and over again, pretty soon you will cure yourself of your ailment." For example, all you would have to say was "I am getting slimmer and slimmer every day, in every way," and if you had been going around with a little too much avoirdupois, you were supposed to reduce to a normal weight. Or you might say, "I am becoming more gentle every day in every way," and your meanness was supposed to leave.

Mr. President, some Members of the United States Senate have sung themselves the "Injunction Blues" so long that it sounds like a lullaby. They have literally gone to sleep with it. They will not look at the record.

What is an injunction supposed to do? It is supposed to keep workers on the job. That it does, because if they do not stay on the job they suffer the penalty of the law. But going to jail does not help to mine coal, or produce steel.

What else is the injunction supposed to do? It is supposed to provide the time needed for reconciliation, conciliation, mediation, and settlement of the dispute. If Senators want to write a law to keep lawyers on the job, then let them put the injunction in. That will do it. But if they want to write a law to promote settlement of disputes, let them take the injunction out. The record is crystal clear.

I hope I never have to be treated by a doctor who, after he learned about the quassia cup, tells me to drink from the quassia cup, because my grandfather drank from it, my great-grandfather drank from it, and my great-great-grandfather drank from it despite the fact it has no curative effect. I do not want to be told by any doctor. "Drink from the quassia cup," because I know all about the quassia cup.

That is what some people are now doing in the instance of the injunction. They have at least 150 years of history of injunctions. History shows that the injunction has been inequitable, unfair, and of little or no positive use in the settlement of labor disputes. No one can point to a case in which it has ever settled anything. All we can point to is bloodshed, bitterness, tears, destruction, and oppression of people. But some people like it. They have become addicted to it.

I think it is about time for us to begin talking about the means of reconciliation, the means of settlement. What are the means of settlement? As has been stated on the floor of the Senate perhaps 100 times, the provisions of the Thomas bill have been taken from the Railway Labor Act. Mr. President, the railroad industry is a vital industry and the workers are just like other workers. They are unionized, too. The language of the Railway Labor Act has been obeyed. It has been obeyed better than injunctions have been obeyed.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I do not yield at this particular moment. I shall be glad to yield later.

The language of the Railway Labor Act has been obeyed. It has permitted reconciliation. It has actually afforded a means of settling disputes. That same language is transferred over into the Thomas bill.

I have heard the question asked here this afternoon: Why did the President use the provisions of the Taft-Hartley Act? That is all he had to use. There was no other means of remedy. He obtained an injunction. The injunction was for the purpose of gaining time and holding workers on the job. But, Mr. President, if we want time to settle disputes, that time can be provided under the language of the Thomas bill. The time that is provided under the language of the Thomas bill is provided under favorable circumstances, under friendly circumstances, not under the whiplash of the injunction. During that period of time reconciliation of a dispute can be brought about.

I have heard all about the six or seven national emergency cases under the Taft-Hartley Act. Let us take a look at them. To be sure, the injunction was used. But the fact is that it never settled anything. To be sure, they were national emergencies. As I stated on the floor of the Senate, the country was in great trouble. After the longshoremen's strike and the 80 days of the injunction, there were 95 days more of strike, and here we are. We have not been invaded. The country did not come tumbling down. We are still here. After every one of the strikes in which the injunction has been used on the ground that a national emergency existed, what kind of national emergency was it? I submit that it was not much of a national emergency if, after the 80 days went by and we still had a strike, the country did not seem to be impoverished, no one died, and the national health and welfare were not seriously affected.

We have used the term "national emergency." Someone says, "That looks good. Let us use it," so we use it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I wish the Senator might have yielded a moment ago, because my question would have been more timely.

The Senator was discussing the Railway Labor Act, and he stated that the Thomas bill simply followed the provisions of the Railway Labor Act.

Mr. HUMPHREY. In substance.

Mr. HOLLAND. I wonder if the Senator would care to state whether the Thomas bill carries out the open-shop provisions of the Railway Labor Act.

Mr. HUMPHREY. As a matter of fact, the Thomas bill leaves the door wide open. It provides neither for an open shop nor a closed shop. A very honest statement in the Thomas bill provides that the workers and employers shall enter into the kind of bargaining agreement they want. Nor does the Thomas bill apply the rules of seniority applied in the railroad industry. The Senator from Florida well knows that the rules of seniority on railroads are tantamount to a closed shop. Let us not becloud the issues.

Mr. HOLLAND. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Will the Senator state whether the Thomas bill includes the specific provisions in approximately 17 State laws banning in effect the closed shop? Does the Thomas bill include the anticlosed shop provisions of State laws?

Mr. HUMPHREY. No. As a matter of fact, the Thomas bill is crystal clear on that point. It says that Federal laws shall apply. But the point which we are discussing, as related to the Railway Labor Act and the Thomas bill, is the national emergency provisions. That is the only issue which is now before us. Later we shall discuss the rest of the Taft-Hartley Act. Right now we are discussing title III of the Thomas bill.

Many Senators may vote for the injunction. I gather that their number will be sizable. That is surely their privilege. I am going to vote against it. The thing I wish to have clear in the RECORD is not what has been stated by the junior Senator from Minnesota, or by other Senators, but what has been stated by the men whose names I have previously mentioned—Dr. Leiserson, William H. Davis, and Dr. Feinsinger—three of the most eminent men in the field of labor relations, men whose character and professional reputation are beyond reproach.

What do those men say? They say that the injunction does not do the job. What does anyone else who has been on the job say? What do those who have negotiated disputes say? What do arbitrators and conciliators say? They say that the injunction is harmful. But the easy way out for legislators is the injunction.

Then what do we do? We use the combined powers of government on a group of men and say, "You must stay there and work." After the injunction runs out, nothing happens. The country gets along, and a little later the dispute is settled.

Let me conclude by reading again from the report of the Federal Mediation and Conciliation Service. This is from the first annual report of the Director of the Federal Mediation and Conciliation Service. This is not a service dedicated to clubbing people into action or submission. This is the report of the Federal Mediation and Conciliation Service. What does it say? Let us have no more bickering about words. I read from page 56 of the report:

> One of the conclusions which the Service is undoubtedly justified in drawing from its experience of the last year is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

Let me digress for a moment. Perhaps delay is what some people want. I thought we were trying to settle disputes, and not delay the settlement.

> Parties unable to resolve the issues facing them before a deadline date, when subject to an injunction order, tend to lose a sense of urgency and to relax their efforts to reach a settlement. They wait for the next deadline date (the date of discharge of the injunction) to spur them to renewed efforts. In most instances efforts of the Service to encourage the parties to bargain during the injunction period, with a view to early settlement falls on deaf ears.

It is about time for us to admit that that is in the book. It is about time to admit that the injunctive process has not done its job. If we want a law to keep lawyers and courts busy, let us have the injunction. That will keep them busy. They will have plenty of work to do, and there will be a full employment program for the legal profession. At least we shall not have to worry about a depression there. But if we wish to have a program which will promote reconciliation in labor disputes——

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I do not yield at this moment.

If we wish to have a program that will promote reconciliation in labor disputes, let us not enact a law which will put into effect the kind of policy which aggravates the situation. It is on that basis that I appeal for the rejection of the amendment proposed by the Senator from Florida. It is on that basis that I appeal for the acceptance of the amendment proposed by the distinguished majority leader, the Senator from Illinois [Mr. LUCAS].

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does not the Senator admit that in the case of the six injunctions used under the Taft-Hartley Act, except for the few days between the original injunction date and the date of compliance by Mr. Lewis with the contempt order in the coal case, the public interest was perfectly protected throughout the operation of the six injunction periods by the continued operation of the vital industries which were affected?

Mr. HUMPHREY. I answer the question by saying this: If the Senator means that the workers stayed on the job, of course they did. They are law-abiding citizens. But if the Senator means that because of the injunction the dispute was settled after the injunction ran out, I say "No." The injunction injured and delayed the settlement of the dispute. The record is crystal clear. Not only that, if all that is wanted is to have the workers stay on the job, why is the old, broken-down method of injunction being used? It should have been discarded with Louis XIV. Why not use the procedures under the National Railway Labor Act? Under that act workers have stayed on the job, and no one has had to be put in jail, and it has not been necessary to go to a judge or to hire an attorney; the workers stayed on the job because they were loyal American citizens. If we want workers to stay on the job, why not use the time-tested procedure which has worked effectviely since 1926?

Oh, no, Mr. President; some people simply have to have documents in their hands and simply have to see a judge. Of course, any judge can grant a divorce,

thus breaking up a family and separating the wife from the husband. But it takes a person skilled in the art of reconciliation to bring a husband and a wife together again. It does not require very great ability on the part of a judge to grant a divorce and break up a home, but it requires considerable understanding of human relations to be able to effect reconciliations and to get husbands and wives to live together again in love and affection and mutual respect.

Lawyers do not agree as to what is in the Taft-Hartley law. If we ask 10 different lawyers about the meaning of that law, we get 10 different opinions.

Labor-management harmony is not built around pin-point restrictions under the Taft-Hartley law, but labor-management harmony is built by having labor and management confer together in good faith and work out their problems. Labor-management relations are concerned with questions of human economics and human values, with questions of give-and-take and questions of human understanding. Believe me, Mr. President, we do not get very much give-and-take, when we have people splitting fine points of law, looking for the fine print to read.

I believe it is time for us to write a law which will set up the rules of the game and provide for mutual respect for each other and mutual obligations, and then let the parties decide what they want.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DONNELL. A moment ago the Senator from Minnesota referred in rather strong terms to the time of Louis XIV and to having people go to jail; and the eloquent remarks of the senior Senator from Florida [Mr. PEPPER] closed with a peroration with regard to many people going to jail.

I wish to ask the Senator from Minnesota whether on June 20 he heard the address of the able junior Senator from Oregon [Mr. MORSE], who is a strong opponent of the injunction, and whether at that time the Senator from Minnesota heard this statement by the distinguished Senator from Oregon, who not only is a distinguished lawyer, but has had a great deal of experience with labor, as well:

> I do not think there is any question involving the thirteenth amendment or any question involving involuntary servitude, because the worker has the right to quit. The injunction goes to concerted action, it goes to the question of a strike, but not to the individual's right to quit work. So long as he is free to quit, he has not been enslaved.

Does the Senator from Minnesota agree with those observations by the Senator from Oregon?

Mr. HUMPHREY. I must say that the Senator from Missouri evidently did not listen to what I was saying. I am not arguing about the thirteenth amendment. Of course this is not a matter of involuntary servitude. Who said it was? All I am saying is that if an injunction is issued and if a person does not obey the injunction, he is held in contempt of court, and can be fined and put in jail. Do not tell me that he cannot be, because many a person has been. I say that if he does not pay the fine, he will have another one slapped on him, and may get a jail sentence.

Whether that is called involuntary servitude, I do not know.

Mr. DONNELL. Mr. President, will the Senator yield again?

Mr. HUMPHREY. I yield.

Mr. DONNELL. What construction does the Senator place on this language to be found in the Taft-Hartley Act:

> Nothing in this act—

In other words, it is not limited to one section, but it applies to the entire act——

Mr. HUMPHREY. Is that section 502?

Mr. DONNELL. Yes; let me read it.

Mr. HUMPHREY. I have heard it.

Mr. DONNELL. As I had started to say, it reads as follows:

> Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

I ask the Senator what conclusion he places on that language. Does he think that in the case of the coal-mining companies, each individual employee can be compelled to continue to mine coal, and that if he does not, he will go to jail and will be subject to some terrible processes, such as those which existed in the time of Louis XIV, to which the Senator has referred? Is that his construction of that part of the law?

Mr. HUMPHREY. I appreciate the coaching I have received from the distinguished Senator from Missouri on that point. However, I was not going to make those observations.

If the Senator from Missouri wishes to know what I really think of it, I will tell him. I think it means absolutely nothing. I think it is a little bit more of that legal jargon, that mumbo-jumbo, that has been placed in the law, but has no meaning. I say that because, first of all, if an injunction means anything, instead of simply being a mere symbol, it means that workers will be kept on the job. Otherwise an injunction would not mean a thing, and it would be foolish to obtain one.

But if an injunction means anything, it means that the workers stay on the job. Otherwise someone has been kidding the American people by telling them that the Taft-Hartley law has protected the people in a national emergency. If the workers cannot be kept on the job, the people cannot be protected in such cases.

Very well; if the injunction provisions of the Taft-Hartley law mean anything, they mean keeping the workers on the job. The distinguished Senator from Missouri, who is one of the ablest attorneys in this body, knows what happens when an injunction is disobeyed. The person who disobeys the injunction is fined and may go to jail. Regardless of whether you go to jail individually or in company, jail is a lonesome place.

Mr. DONNELL. Mr. President, I am not permitted to make a statement in the Senator's time, in answer to him. However, I say it is rather curious that the Senate of the United States, composed of lawyers and laymen from almost every type of business, by an overwhelming majority, not only of Republicans but of Democrats, approved section 502, the language I have just read, if actually it meant nothing and is, according to the statement of the Senator from Minnesota, just a mass of jargon. Does the Senator from Minnesota think it is reasonable to believe that one of the two coordinate parts of the legislative branch of the Government of the United States would take action which it thought was meaningless?

Mr. HUMPHREY. Mr. President, I should like to say to my good friend, the Senator from Missouri, that of course all of us are in favor of motherhood, the Red Cross, and charity. That is practically what section 502 of the Taft-Hartley law says, for it says that we do not believe in slavery. But it is not necessary to have section 502 written into law in order that people may have the right to quit work, for they have that right with or without section 502.

But if the Senator means what he says about injunctions, and that injunctions keep people at work, then the injunction proceeding supersedes the other proceeding.

The only thing that can be said about the injunction is that it applies to concerted action. But, Mr. President, does it? It has been used against individuals, too; in all sorts of circumstances it has been used against only one person. But if that person disobeys the injunction, he is just as much guilty of disobeying it as if he were acting with 1,000 workers.

Mr. President, all I am saying is that I am not going to argue legal theory or in other words, how many angels can dance on the point of a needle. That argument was used back in the Middle Ages. All I ask is, Does the injunction settle anything? When some Member of the Senate can point out what an injunction has settled, except for settling some lawyer's bills because of the fee he received for getting out the injunction, then I think he will begin to have a case.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I shall be glad to point out to the Senator from Minnesota that the injunctions issued under the Taft-Hartley Act have settled controversies to the satisfaction of millions of people who had very grave doubt as to whether those disputes would be settled. Furthermore, have permitted vital industries to continue in operation until tempers could cool and patience and sound judgment could be exercised, and during that period the people have had the protection of having vital industries continue in operation. I say to the Senator it is time that he and all other Senators here were thinking something about the public interest and the general

welfare of the people of the United States. Merely because there were people in ancient times who thought about the public good is no reason why it is not sound philosophy still to think about the public good.

Let me say further to the Senator that a good many men serving as governors of their States during the recent war had occasion to wonder that the leader of a great group in the coal industry could so far forget his obligation to the hundreds of thousands of American boys fighting overseas as to stop the mining of coal by calling his men out of the mines. In my own case I know I received hundreds of letters from the families of Florida boys who were at the front in all parts of the world, wondering how it could be that any American could possibly visit that sort of punishment upon them.

The PRESIDING OFFICER (Mr. WITHERS in the chair). The Senator from Minnesota has the floor. Is the Senator from Florida making a speech?

Mr. HOLLAND. Mr. President, I understood the Senator to ask a question, and I was attempting to answer it. If I am mistaken——

Mr. HUMPHREY. I was under the impression, Mr. President, that I had the floor.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yielded for a question.

Mr. HOLLAND. I shall be happy to ask one.

The PRESIDING OFFICER. The Chair thought the Senator from Florida rose to ask a question, and that the Senator from Minnesota yielded to him for that purpose.

Mr. HOLLAND. No.

The PRESIDING OFFICER. Is the Chair correct in his statement?

Mr. HUMPHREY. I do not want to split the question on legal technicalities. If there is a question to be asked, I shall listen to the question.

The PRESIDING OFFICER. The Senator from Minnesota yields to the Senator from Florida for a question.

Mr. HOLLAND. Mr. President, the statement by the Chair is not correct. As the Senator from Florida understood, a question was addressed to him and to the Senate generally by the speaker. I was attempting to answer it. But now, to phrase the question to the distinguished Senator, is it not a fact that in the case of the six Taft-Hartley injunctions the public interest was protected by the continued operation of vital industries involved in those particular disputes, throughout the respective injunction periods of the six injunctions, except as to the 5 days in the coal injunction case, from the time of the issuance of the injunction to the time the contemptuous head of the mine workers' organization decided he should obey the mandate of a court of the United States?

Mr. HUMPHREY. I would answer the question by saying, if I were to take the assumptions of the distinguished Senator from Florida, of course, I should say yes. If he means that the public interest was protected because the men were still on the job, that is, forced to be on the job, yes, I suppose in some sense the public interest was protected. The operation of the mines was maintained. But, to reconcile the disputants, and to reconcile the protagonists in the case, then indeed the public interest was not protected, and what is more, it is not as if there were only one choice before the Senate, Mr. President. We are being told here that the only way that we can keep people on the job is to get a court injunction. Nonsense. What kind of talk is that? That is just as much as being told in the old days that the only way to cure rheumatism is by bringing out the old quassia cup. The quassia cup never cured anything. Today there are some alternatives to it. We have other products to cure rheumatism, and most modern doctors use them. But somebody has got an old quassia cup around here, known as an injunction. There are those who are still going to sell the world on it, if they can. Mr. President, I am saying there is another alternative. I say this other alternative is one that has worked. We are not in the realm of theory, but we are digging down into the mistakes of the past when we start using the injunction again. What are we using, what are we advocating to keep men on the job? What are we proposing? We are advocating the accepted, tested, proven procedures of the Railway Labor Act. They have not failed in 23 years to keep men on the job without an injunction, without the sheriff, without the judge, without the local constable, without the attorneys. Workers stay on the job because they are American citizens, and because the policy of the country says that they shall remain on the job.

But I find out that after we have had the great experience of law school, after we have read all the books on torts and claims and contracts and jurisprudence, we have got to use it. It always bothered me after I graduated in pharmacy not to be able to use all I learned in materia medica. One gets a vested interest in his professional tools and vocabulary. Therefore some are addicted to the injunction whether it works or not.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Louisiana?

Mr. HUMPHREY. I yield.

Mr. LONG. A few minutes ago, in the colloquy between the Senator from Minnesota and the Senator from Missouri it was said that nothing in the act could be construed to compel an individual employee to render service without his consent.

Mr. DONNELL. "Employees."

Mr. LONG. Employees could not be compelled to render service without their consent.

Mr. DONNELL. Yes.

Mr. LONG. I call the Senator's attention to the fact that that particular section is entitled "Saving Provision." It is nothing more or less than that. The authors of the act knew very good and well that they might be flying in the face of the thirteenth amendment, and they theyefore wanted to keep their act from being declared unconstitutional.

The PRESIDING OFFICER. The Chair inquires of the Senator whether he is asking a question?

Mr. LONG. I ask the Senator whether, in his opinion, the reason why that beautiful language was put in the act might not have been the effort to make sure the act was not to be thrown out as unconstitutional, as requiring involuntary servitude?

Mr. HUMPHREY. I may say to my distinguished friend, the Senator from Louisiana, that I am humble in the recognition of the need for legal counsel, and I must retract many of the unkind words, if they have been unkind, which have been said about the distinguished members of the legal profession. Here is a trained attorney that has found just exactly what one should have observed a long time ago. Senator LONG points out that injunction provisions bordered upon a violation of or were a violation of the thirteenth amendment, and so as the distinguished Senator from Louisiana has so well pointed out, that after the Taft-Hartley Act prescribes the injunction provisions, then lest these provisions run contrary to the thirteenth amendment we come along a little bit later and say, "Well, now, of course we are going to have a 'saving provision' here and that makes it legal."

I have no more to say, Mr. President. I merely want to conclude my remarks by appealing to those who are interested in reconciliation, who are interested in the peaceful settlement of disputes, to look at the record; to look at the record from 1935 to 1946, and to see how many national emergencies there were; to look at the record of injunctions, and see what they have created in this country, in terms of fair labor-management relationship; to look at the record of 23 years under the Railway Labor Act, a record of peaceful voluntary settlement of our disputes. I ask them, after the arguments have been analyzed with objective and impartial approach, to see which one of these approaches is going to be the best for the American people.

Mr. LUCAS. Mr. President, there have been some negotiations with Members on both sides of the aisle with a view to attempting to get a unanimous-consent agreement to vote on the amendment offered by the distinguished Senator from Florida [Mr. HOLLAND], as well as the amendment offered by the Senator from Illinois. I should like to make a unanimous-consent request for the RECORD, to ascertain how the distinguished Senator from Ohio feels about it. I ask unanimous consent that the Senate vote on the amendment offered by the distinguished Senator from Florida [Mr. HOLLAND] on Monday next at 1 o'clock, and that, following that, a vote be taken on the amendment offered by the Senator from Illinois, at 2 o'clock, concluding that amendment.

I make that unanimous consent request at this time.

Mr. President, I may say to Members of the Senate I have conferred with the Senator from Oregon [Mr. MORSE], who has some very real and conscienticus convictions about unanimous consent agreements, and he has agreed to that.

Mr. PEPPER. Mr. President, reserving the right to object, would there be any reason why we could not vote sometime tomorrow, or tomorrow night, upon this amendment, and then vote on Tuesday on the next amendment, if necessary, if we want it to go over for a little further time? We have had some debate, and I certainly would want ample opportunity for my distinguished colleague to present his amendment, but many of the rest of us have spoken, and we have all day tomorrow to debate it. If we remain in session a little later tomorrow evening, I wonder if it would not be possible to reach a vote sometime before the end of the day.

Mr. LUCAS. Let me say to my friend from Florida that I am ready to vote now, but, as usual, we find that in attempting to accommodate Senators on both sides of the aisle in matters of this kind, there are always a few Senators absent. I was hoping that the unanimous consent agreement to vote on Monday would give sufficient time for all Senators to make their plans, in order that they could be present on Monday. If we cannot get that kind of an agreement, we shall have to go through tomorrow. If we go through tomorrow it is my belief that we will spend most of the day in talking and will get nowhere and will finally run into Saturday and possibly Monday with nothing but talk for two or three days. I was hoping to get a unanimous-consent agreement so that we would know exactly when we could vote, and all Senators could make their plans accordingly.

Mr. PEPPER. Reserving the right to object, there are some of us who have engagements at other times. I had planned to be in my State on Monday night and to return to the Senate on Tuesday morning.

Mr. LUCAS. I do not think there is any engagement—and I say this with all due deference to my colleagues on both sides of the aisle—which is as important as is this vote. I do not believe we could get a unanimous-consent agreement more easily if I suggested next Tuesday or Wednesday. Some Senator would have an appointment on Tuesday in his home State which he feels he must keep.

I appreciate the position of the Senator from Florida. Obviously, I should like to accommodate him. It may be that we can come to a vote tomorrow, but I have my doubts about it. Possibly we can get through on Saturday, but I also have my doubts about that. When Members are absent some Senator is going to try to get a little advantage. It does not take very much to interest a few of us in doing a little talking.

Mr. PEPPER. I do not know whether it is absentees whom those Senators might try to assist. But, after all, we are here, and the question is pending before the Senate. We have all day tomorrow and tomorrow evening.

Mr. LUCAS. I am willing to go along tomorrow. Possibly we can get a vote. I was trying to accommodate a number of Senators by fixing a definite, specific time on Monday.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. Yes.

Mr. TAFT. Reserving the right to object, I do not think I could possibly agree to a unanimous-consent agreement to vote on Monday. I would be willing to try to work something out on Saturday or on Tuesday. The situation on Monday is such that I do not believe I could agree to vote on that day.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. PEPPER. Would it be possible for us to vote on the Holland amendment sometime before we adjourn tomorrow night, and to vote on Tuesday on the Taft amendment?

Mr. TAFT. It seems to me that we might as well let nature take its course, and vote tomorrow, if we reach that point. But if we are to have a unanimous-consent agreement, it might as well be applicable on one day, and we can make it a field day.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HOLLAND. Only one Senator who joined with me in my amendment is on the floor at this time. I hope he will be prepared to speak tomorrow. I do not know the wishes of the other two Senators. They were here, but they left a little while ago. I would suggest that no effort be made to reach a unanimous-consent agreement in their absence, because no one of the four of us has had anything to say in the debate until this afternoon, and only one of us spoke this afternoon. I certainly think we are entitled to be heard.

Mr. LUCAS. I thought if we could get a unanimous-consent agreement to vote on Monday it would give all day tomorrow and possibly Saturday for the Senator from Florida and other Senators to debate his amendment. I thought that would be sufficient time to arrive at some decision. But if there is any objection to it, the only thing we can do is to take a recess, and perhaps between now and tomorrow something can be worked out. We might get a vote tomorrow afternoon on the amendment now pending before the Senate. I certainly hope we may do so, in view of the fact that we cannot get a unanimous-consent agreement.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. Did I correctly understand the Senator to say that no agreement has been reached?

Mr. LUCAS. Apparently we cannot reach an agreement.

Mr. MAYBANK. At what time does the Senator expect the Senate to meet tomorrow?

Mr. LUCAS. At 12 o'clock.

Mr. MAYBANK. Very well.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. WITHERS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Leland C. Gove, to be postmaster at Mosier, Oreg., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of W. Walton Butterworth, of Louisiana, to be Assistant Secretary of State.

Mr. TAFT. Mr. President, at the request of the minority floor leader [Mr. WHERRY], I ask that this nomination go over until the Senator's return.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the remaining nominations in the Department of State will be confirmed en bloc.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Joseph Flack, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. TAFT. Mr. President, at the request of the Senator from Maine [Mr. BREWSTER], I ask that the nomination of Ellis O. Briggs, of Maine, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Czechoslovakia and the nomination of Nathaniel P. Davis, of New Jersey, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Hungary, be passed over until the return of the Senator from Maine. That is no reflection on the gentleman at all, but there is a question which the Senator from Maine wishes to discuss as to the advisability of appointing ministers and ambassadors to Czechoslovakia and Hungary.

The PRESIDING OFFICER. Without objection, the nominations will be passed over. The remaining nominations on the calendar in the diplomatic and foreign service, without objection, will be confirmed en bloc.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Edward H. Davidson, of New Jersey, to be Director of Locomotive Inspection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

Mr. LUCAS. Mr. President, I ask that the Coast Guard nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified immediately of all nominations this day confirmed.

RECESS

Mr. LUCAS. Mr. President, as in legislative session, I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 24, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 23 (legislative day of June 2), 1949:

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

James H. Flanagan, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years from July 1, 1949. (Reappointment.)

UNITED STATES MARSHAL

John E. Sloan, of Pennsylvania, to be United States marshal for the western district of Pennsylvania. He is now serving in this office under an appointment which expires July 2, 1949.

IN THE ARMY

The following-named officers for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States:

Maj. Meredith Ernest Allen, O21408, United States Army.

Maj. Clifford Frederick Cordes, Jr., O20186, United States Army.

Capt. George Shipley Prugh, Jr., O54092, United States Army.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be captains, Medical Service Corps

Harrold Earp Graham, O37531.
Stanley Francis Klodniski, O56946.
Max Eugene Knickerbocker, O41151.
×Charles William Lindsay, Jr., O37527.
Robert Francis Maguire, O37528.
George Marion Peters, O37533
Fernando Gordon Torgerson, O37523.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947.

To be first lieutenants

Donald Ferree Bletz, O56739.
John Robin Davis Cleland, O41361.
Stanley Anthony Durka, O56755.
Robert Walton Fleming, Jr., O56737.
Aaron Daniel Maier, O50559.
George Earl Turnmeyer, Jr., O56735.

To be first lieutenants, Women's Army Corps

Norma Jean Fischer, L194.
Lillian Vida Jones, L191.
Frances Ann Pesmeski, L193.
Lucille Doris Schneider, L196.
Clara May Zunker, L197.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 107 of the Army-Navy Nurses Act of 1947:

To be first lieutenants, Women's Medical Specialist Corps

Mary Ann Neacy, R10059.
Vivian L. Strickler, J3.

IN THE NAVY

The following-named officers of the Navy for temporary appointment to the grade of lieutenant, subject to qualification therefor as provided by law:

The following-named officers for temporary appointment in the line of the Navy:

Stanley F. Abele
James D. Ackerman
Robert E. Arthur
Thorval L. Berg, Jr.
Sherman C. Black
William F. Bley
Clarence A. Borley
Trond G. Brekke
William I. Bristol
Samuel J. Brocato
George E. Buker
Charles W. Callahan
Robert D. Chilton
Walter C. Clapp
Marvin L. Claude
Robert G. Coleman, Jr.
Parker C. Cooper
Merdin C. Criddle
Raymond J. Dooley
Wayne L. Dowlen
Thomas H. Drinkwater
Willis P. Duhon
Edward M. Eakin
William E. Edwards
Homer S. Elliott
John A. Fahey
Harry W. Files, Jr.
Forrest B. Forbes
David L. Forrester, Jr.
Gurney E. Frye
Albert R. Groves
Harris E. Gustafson
George F. Guyer
William C. Hartung
Charles W. Henderson
Darrel H. Jay
Robert Juarez
Lawrence W. Kelley
Joseph F. Kelly, Jr.
Robert R. Kidwell, Jr.
Frank G. Kingston
Duane M. Krueger
Wesley E. Lizotte
Edmund J. Maddock
Robert W. Mead
Charles V. McGlothing
Allen C. H. Merz
Eldon L. Michel
Robert H. Morris
Laverne F. Nabours
Victor J. Neil
Robert A. Niles
Franklin C. Northrup
Paul O'Mara, Jr.
Robert E. Orcutt
Charles L. Otti
Joseph V. Pavela
Joseph Rolleri
Joe M. Sassman
John E. Schlembach
Milner N. Shannon
Frank S. Siddall
Carl E. Smith
Edward J. Steffen
Marlar E. Stewart
Donald A. Swanson
Harry W. Swinburne, Jr.
John B. Thomas, Jr.
Frederick C. Turner.
Wallace V. Van Pelt
Harold K. Von Egger
John R. Wagner, Jr.
Harvey M. Waldron, Jr.
Saxton A. Weir, Jr.
William J. Westmoreland
Charles E. Wilcox
Harold A. Willyard
Robert C. Woolverton

The following-named officers for temporary appointment in the Supply Corps of the Navy:

John J. Connor, Jr.
Donald F. Baumgartner
Herbert J. Hackmeyer
William S. Langley
John H. Robison
Lyle A. Stearns

The following-named officers for temporary appointment in the Civil Engineer Corps of the Navy:

Henry S. Grauten
Roland D. Hill

The following-named officers for temporary appointment in the Medical Service Corps of the Navy:

Harold G. Donovan
Lester K. Thompson

The following-named officers for temporary appointment in the Nurse Corps of the Navy:

Isabelle C. Kiehl
Ruth M. Lawler
Edith F. MacMillan
Margaret McCall
Evelyn M. McDermott
Ann E. McPhillips
Emerald M. M. Neece

The following-named officers of the Naval Reserve for temporary appointment to the grade of lieutenant, subject to qualification therefor as provided by law:

The following-named officers for temporary appointment in the line of the Naval Reserve:

Harry Ault, Jr.
Arthur L. Flanagin
Robert E. Leckrone
John E. McNelis
John H. Whitehouse

The following-named officers for permanent appointment to the grade of lieutenant commander in the line of the Navy, in lieu of temporary appointment as previously nominated and confirmed:

Kathryn Dougherty
Winifred R. Quick

The following-named officers for temporary appointment to the grade of lieutenant commander in the line of the Navy, and to correct spelling of names as previously nominated and confirmed:

Otis L. Scheibeler
Charles W. Hollinshead, Jr.
Claudie R. Vaught

The following-named officers of the Navy for permanent appointment to the grade and corps hereinafter stated, and to correct spelling of names as previously nominated and confirmed:

Lieutenant (junior grade), line

Michael N. Besel, Jr.
Dwight E. DeCamp
George Maragos
George R. Pool, Jr.
Robert F. J. Schneider
Charles G. Schoenherr

Lieutenant (junior grade), Supply Corps

Frederick L. G. Kuehm

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23 (legislative day of June 2), 1949:

DEPARTMENT OF STATE

TO BE ASSISTANT SECRETARIES OF STATE

John D. Hickerson
George C. McGhee
Edward G. Miller, Jr.
George W. Perkins

TO BE COUNSELOR OF THE DEPARTMENT OF STATE

George F. Kennan

TO BE LEGAL ADVISER OF THE DEPARTMENT OF STATE

Adrian S. Fisher

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE INDICATED COUNTRIES

Joseph Flack to Costa Rica.
George P. Shaw to El Salvador.
Christian M. Ravndal to Uruguay.

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

John Wesley Jones
Sidney A. Belovsky
James E. Henderson
Andrew G. Lynch

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Joseph Palmer 2d
Eugene H. Johnson

TO BE SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Eric C. Bellquist
Thomas T. Driver

TO BE VICE CONSUL OF THE UNITED STATES OF AMERICA

Monteagle Stearns

INTERSTATE COMMERCE COMMISSION

TO BE DIRECTOR OF LOCOMOTIVE INSPECTION

Edward H. Davidson

U. S. COAST GUARD

APPOINTMENTS IN THE UNITED STATES COAST GUARD

To be captains, to rank from March 20, 1945

Joseph A. Kerrins
Edward H. Thiele
Reginald H. French
John W. Ryssy
Richard L. Burke
Nathaniel S. Fulford, Jr.
Julius F. Jacot
Chester A. A. Anderson
Edward E. Hahn, Jr.

To be commanders to rank from January 1, 1944

Robert E. McCaffery
Albert E. Harned
David H. Bartlett
Vaino O. Johnson
Richard F. Rea
Warren L. David

Louis M. Thayer, Jr.
Evor S. Kerr Jr.
Walter S. Bakutis
Edgar V. Carlson

To be commanders, to rank from March 1, 1944

Clayton M. Opp
Loren E. Brunner
Charles E. Columbus
William L. Sutter
Gilbert R. Evans
Wallace L. Hancock, Jr.
Adrian F. Werner
Woodrow W. Vennel
Gilbert F. Schumacher
Charles Tighe
Richard Baxter

To be lieutenant commanders, to rank from December 1, 1943

Carlton V. Legg
George E. Alston
Virgil L. McLean
George M. Gallagher
Henry M. Anthony
Cloyd C. Lantz
Henry E. Solomon
Herbert L. Scales
William K. Kehoe
Cecil C. Humphreys
Robert L. Blanchett
Carl E. Roberts
Harry F. Bradley
James E. Rivard
William E. Lowe
George D. Batey

To be lieutenant commanders, to rank from April 1, 1944

Robert E. Reed-Hill (P)
Joseph J. McClelland
Raymond G. Miller
John P. Latimer
James A. Martin
Robert E. Hammond
Clyde R. Burton
Ottis T. Estes, Jr.
James F. Bills
Paul E. Burhorst
Edwin C. Crosby
Ira H. McMullan
William C. Foster
Holmes F. Crouch
Kenneth H. Potts
James W. Paine
James A. Cornish
William K. Earle

To be lieutenant commander, to rank from August 1, 1944

Edward H. Houghtaling

To be lieutenant commanders to rank from July 20, 1945

William D. Strauch, Jr.
Robert F. Barber
Herschel E. Sanders
Russell A. Serenberg
Benjamin M. Chiswell, Jr.
Helmer S. Pearson
Chester A. Richmond, Jr.
James M. McLaughlin
Whitney M. Prall, Jr.
Henry F. Rohrkemper
Charles F. Scharfenstein, Jr.
Robert S. McLendon
John C. Saussy
Joe L. Horne

To be lieutenants, to rank from October 5, 1945

Lynn L. Baker
Thomas F. McKenna
Glenn J. Shannon
Ernest A. Bigelow
Sidney K. Broussard
Louis J. Glatz
John Dalin
Ludlow S. Baker
Frank D. Hilditch
Arthur M. Watson
Arthur H. Sheppard
Frank W. Dunford

To be lieutenants, to rank from October 7, 1945

Donald A. Brown
Charles H. Freymueller
Raymond W. Siegel
Harry A. Solberg
Robert O. Bracken
John W. Hume
John S. MacCormack
Herbert Krause
Theodore J. Kozanecki
Errol H. Seegers
Forrest H. Willoughby
Robert D. Burkheimer
Jack E. Forrester
Lewis R. Davison
John H. Hawley
Carol L. Mason
George H. Waddell
Robert M. Becker
Franklin A. Colburn
Robert S. Wilson
Charles E. MacDowell
Elmer P. Mathison
Warren C. Mitchell
Henry A. Campbell, Jr.
Armand J. Bush
Lester A. Levine
John J. O'Meara
Glenn O. Thompson
Arthur F. Heffelfinger
Eugene F. Walsh
Andrew J. Cupples
John A. Weber
Lloyd E. Franke
Samuel E. Taylor
Richard C. Wilkie
George A. Philbrick
George J. Bodie
Henry W. Stinson, Jr.
Earl E. Broussard
Cletis L. Caribo
John F. Fitzgerald

To be lieutenants, to rank from the effective date of appointment

Peter E. Gibney
Lewis R. LaValley
Leonard M. Dalton
James P. Van Etten
Joseph R. Steele
LeWayne N. Felts
Edward M. F. Kirchner
Mitchell A. Perry
Garth H. Read
William E. Dennis
Robert J. LoForte
Owen W. Siler

To be lieutenants (junior grade), to rank from January 1, 1947

David R. Rondestvedt
Oliver W. Harrison

To be lieutenants (junior grade), to rank from September 15, 1948

Robert D. Parkhurst
Otto F. Unsinn
James E. Heywood
Henry V. Harman
Walter O. Henry
Verne D. Finks
William L. Aitkenhead
Charles F. Baker
James P. Stewart
James H. Swint
Shirl J. Stephany
George F. Rodgers
Leslie D. High
George H. P. Bursley
Frank E. Parker
Milton R. Neuman
Arthur W. Rouzie
Leland C. Batdorf
David Jenkins
William F. Tighe, Jr.
Bruce C. Johnson
Richard B. Humbert
Roy K. Angell
Robert C. Krulish
William J. Kirkley
Edward E. Chambers
Robert W. Johnson
Charles S. Marple
Roger G. Devan
Wilfred F. Raes
Albert H. Clough
Walter B. Murfin
Randolph Ross, Jr.
Lawrence Davis, Jr.
Robert W. Smith
Alfred F. McKenney, Jr.
David E. Perkins
Robertson P. Dinsmore
John H. K. Miner
James W. Bolding, Jr.
Alfred J. Tatman
George T. Sain, Jr.
Malcolm E. Clark
Richard M. Underwood, Jr.
Charles M. Mayes
Dan Rayacich
William M. Page, Jr.
Thomas C. Thompson
Arthur N. Garden, Jr.
David P. Bates, Jr.
Rudolph E. Lenczyk
William L. Faulkenberry
Donald C. Davis
John H. Bruce
James H. MacDonald
Donald R. Vaughn
Frederick S. Kelsey
Robert S. Gershkoff
William C. Pinder, Jr.
Thomas W. Powers
James A. Gary III
Douglas C. Ryan
Archibald B. How
John L. Wright
John B. Saunders, Jr.
Herbert H. Sharpe, Jr.
Michael B. Lemly
Glenn M. Loboudger
Robert A. Patrick
John E. Murray
William R. Chandler
Vincent A. Bogucki
Charles I. Foss III
James P. Hynes
Robert A. Lee
Jay H. Bramson
John W. Steffey
Lloyd W. Goddu, Jr.
Donald J. McCann
Edward D. Cassidy
John B. Hayes
Robert L. Davis, Jr.
Richard B. Bowden, Jr.
Glenn R. Taylor
Ian E. Holland
Walter F. Guy
Dudley C. Goodwin, Jr.
Warren S. Petterson
Harold E. DeLong
William C. Wallace
Henry G. Cassel
Harley B. Shank
Raymond M. Miller
Hardy M. Willis
Fred E. Wilson
Clarence G. Porter
Leroy Flatt
Charles R. Howell
Robert E. Bracken

To be lieutenants (junior grade)

James E. Fleming
Edward J. Johnson
Carleton W. Wahl

IN THE ARMY

Maj. Gen. Harold Roe Bull, O3707, United States Army, for appointment as commandant, National War College, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

IN THE NAVY

All nominations for appointment in the Navy, which were this day confirmed, were received by the Senate on June 15, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," and on the pages indicated with each of the three following groups of nominations for appointment in the Navy:

The nominations of Donald L. Abbott and 3,369 others, which begin with the name of Donald L. Abbott, appearing on page 7722, and ending with the name of Ruth M. Scanlon, which appears on page 7728;

The nominations of James H. Ackiss and 1,554 others, which begin with the name of James H. Ackiss, appearing on page 7728, and ending with the name of Henry W. McGuire, which appears on page 7731; and

The nominations of Leif O. Torkelson and 105 others, which begin with the name of Leif O. Torkelson, appearing on page 7731, and ending with the name of William Williamson, which appears on page 7732.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 23 (legislative day of June 2), 1949:

POSTMASTER

Leland C. Gove, Mosier, Oreg.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 23, 1949

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Master, Thou who hast glorified all that is of earth and sea and sky, to Thee we offer our tribute of praise. On Thee we base our comfort and our hope, and rejoice that our faith is not in vain.

In the discipline of life, which is so often severe, give us strength to be patient and tolerant, comforted in the truth that we are guarded and sheltered in the folds of divine care. Thou who weighest the motives of men, make every weakness a strength and every hindrance an inspiration. Clothe us with that high integrity of purpose that shall be a spiritual reserve sufficient to bear all strain, and that shall give patriotic incentive to our fellow citizens everywhere. In Thy holy name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 20, 1949:

H. R. 2361. An act to provide for the reorganization of Government agencies, and for other purposes; and

H. R. 2663. An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

On June 21, 1949:

H. R. 1337. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes; and

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities.

On June 22, 1949:

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes.

On June 23, 1949:

H. R. 4046. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD in two instances and include articles written by one of his constituents and a newspaper editorial.

REFUND ON VETERANS' INSURANCE

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, every day the newspapers and radio carry reports of increasing unemployment. Every Member of Congress knows that there are millions of people without jobs today.

The unemployment situation is seriously affecting the Nation's economic condition. The Government, through the Veterans' Administration, is in a position to do something about this situation. The Veterans' Administration has $2,800,000,000 which belongs to some 16,000,000 veterans of the last war.

The immediate distribution of this great sum of money to the veterans certainly would have some effect on the economic picture and would be a factor in stemming the tide.

Numbered among the 16,000,000 veterans who were overcharged in their insurance rates by the Government are thousands who are now out of work. They could readily use the money which is rightfully theirs. But the Veterans' Administration says refunding of their money will not begin until January of next year. They say it is a big job to mail out these checks. Sure it is a big job, but the Veterans' Administration knew as long ago as June 1948 that these refunds would have to be made. Why the wait until 1950, which happens to be a congressional election year?

The veterans should receive their refunds as soon as possible, certainly by October of this year.

Three billions of dollars unloosed for spending by those who are rightfully and legally entitled to it not only would help the jobless veteran of today but would help the manufacturer, the producer, and their employees.

Give the veterans back their overcharge on insurance now and not wait for an election year.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a newspaper article.

Mr. BUCHANAN asked and was given permission to extend the remarks he will make in Committee of the Whole and include a statement from the mayors of various cities and a petition from the American Municipal Association.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial published in the Buffalo Evening News of June 13.

ARMING EUROPE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, picking up the New York Times and other papers this morning, I note that Secretary Acheson wants this country now, in order to preserve peace, to spend $1,130,000,000 to arm all of the countries of Europe that join the North Atlantic Pact.

I do not know of anything more ridiculous than to think that in order to get peace now we have to go out and arm all the nations of the world with the idea that we are going to teach them something about peace. Whenever you get a man ready to fight he generally fights. When you get a nation armed to the teeth, it is going to use that, and that means war. If that is the way to peace, then I do not know anything about it.

I am sorry that this country is going to be asked by our Secretary of State to spend $1,130,000,000 to arm these foreign countries. It just seems to me like there is something wrong in our State Department.

Why get all the implements of war, furnish them to other countries and then say to them they are implements—guns, tanks, bombs—of peace. Why, they will say that is just silly, why, the Americans say that a cannon is an implement of peace, then they will ask that psychiatrists be sent over to America to examine everyone who votes to spend $1,130,000,000 for war implements for them. I think they would be right. We need peace, we want peace, let's talk peace, let's use our influence for peace; that is the only way to get it and keep it. Peace be with us always, is my vote and my prayer.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

REPAYMENT OF EXCESS PREMIUMS ON NATIONAL SERVICE LIFE INSURANCE

Mr. BOGGS of Delaware. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Delaware [Mr. BOGGS]?

There was no objection.

Mr. BOGGS of Delaware. Mr. Speaker, many of my friends and distinguished colleagues, the gentleman from New York [Mr. KEATING], the gentleman from Wisconsin [Mr. DAVIS], along with many other able Members of this House are certainly working for the prompt repayment of the excess premiums paid on national service life insurance by our veterans.

I want to urge the prompt repayment of these excess premiums, and I want to join with the other members who are working so hard to return to the veterans something which is theirs and which they have every right to have at this time.

We hear a great deal about this recession and the fact that it will be only of short duration. If this is so, then it is all the more appropriate that these repayments should be made without delay. I have looked over the situation and I cannot find any plausible explanation for this continuing delay after delay.

The SPEAKER. The time of the gentleman from Delaware [Mr. BOGGS] has expired.

SUBCOMMITTEE ON HEALTH SCIENCE AND COMMERCE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Health, Science, and Commerce of the Committee on Interstate and Foreign Commerce may be allowed to sit this afternoon during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPAYMENT OF EXCESS PREMIUMS ON NATIONAL SERVICE LIFE INSURANCE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, again we have heard the gentleman from New York [Mr. KEATING] attacking the Veterans' Administration for doing its duty.

I explained yesterday what the Assistant Administrator told us about it. If the gentleman from New York [Mr. KEATING] can do this work overnight, I suggest that he take his office force and go down to the Veterans' Administration and do it.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. If the gentleman from New York [Mr. KEATING] takes his office force and I take mine and we go down there we could do something and get those checks out.

Mr. RANKIN. Yes; and you will be there till Christmas. They have employed 1,700 extra people to work out these accounts. They will need 1,300 more. They are going to get them out by the first of the year, but to get up here and pretend that this is a political question is nonsense. Nobody ever heard of its being a political question until the gentleman from New York [Mr. KEATING] announced that it was a political question.

How much politics has he played?

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

CALL OF THE HOUSE

Mr. McGREGOR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. CHELF. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 112]

Allen, Calif.	Hart	Polk
Breen	Hinshaw	Poulson
Buckley, N. Y.	Hoffman, Ill.	Powell
Bulwinkle	Hoffman, Mich.	Rivers
Case, S. Dak.	Holifield	Roosevelt
Cavalcante	Irving	Scott,
Clevenger	Jackson, Calif.	Hugh D., Jr.
Cole, N. Y.	Kearney	Shafer
Combs	Kee	Short
Crawford	Larcade	Taber
Crosser	Lichtenwalter	Thomas, N. J.
Cunningham	Lodge	Towe
Doyle	McMillen, Ill.	Walsh
Durham	Macy	Whitaker
Elston	Miller, Nebr.	White, Idaho
Gilmer	Morrison	Withrow
Granger	Murphy	
Hall,	Passman	
Edwin Arthur	Pfeifer,	
Hall,	Joseph L.	
Leonard W.	Plumley	

The SPEAKER. On this roll call, 376 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD DEFICIENCY APPROPRIATION BILL

Mr. KERR, from the Committee on Appropriations, reported the bill (H. R. 5300, Rept. No. 879), making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the State of the Union and ordered printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

REORGANIZATION OF CERTAIN AGENCIES OF THE GOVERNMENT

Mr. DAWSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, with Senate amendments, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DAWSON, HOLIFIELD, BURNSIDE, RIEHLMAN, and HARVEY.

TREASURY-POST OFFICE APPROPRIATION BILL, 1950

Mr. GARY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments, further disagree to the amendments of the Senate and agree to a further conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. GARY, FERNANDEZ, PASSMAN, CANNON, CANFIELD, and COUDERT.

LEE F. BERTUCCIOLI

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 750) for the relief of Lee F. Bertuccioli, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the provisions of the first category of section 3 of the Immigration Act of 1917, as amended, shall not hereafter be applicable to Lee F. Bertuccioli, Farnborough, Kent, England, who served in the armed forces of the United States in World War II under the name of Lee F. Johnson, and who, because of a physical disability arising out of such service, is unable to obtain an immigration visa for admission into the United States."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CELESTE IRIS MAEDA

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3458) for the relief of Celeste Iris Maeda, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Celeste Iris Maeda, the Japanese fiancée of Stanley Arasim, Jr., an honorably discharged veteran of World War II, and that Celeste Iris Maeda may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Celeste Iris Maeda is coming to the United States with a bona fide intention of being married to said Stanley Arasim, Jr., and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Celeste Iris Maeda, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs, 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Celeste Iris Maeda, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Celeste Iris Maeda, as of the date of her entry into the United States, upon the payment by her of the required fees and head tax."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SADAE AOKI

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2709) for the relief of Sadae Aoki, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Sadae Aoki, the Japanese fiancée of A. George Kato, a citizen of the United States and an honorably discharged veteran of World War II, and that Sadae Aoki may be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Sadae Aoki is coming to the United States with a bona fide intention of being married to said A. George Kato, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Sadae Aoki, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Sadae Aoki, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Sadae Aoki as of the date of her entry into the United States, upon the payment by her of the required fees and head tax."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF NATIONAL BANK ACT AND BRETTON WOODS AGREEMENTS ACT

Mr. SPENCE. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 96) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H. R. 4332) entitled "An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes," is authorized and directed, in the second sentence of section 3 of the act, after the word "act", to insert the word "and."

The resolution was agreed to and a motion to reconsider was laid on the table.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009, with Mr. BOGGS of Louisiana in the chair.

The Clerk read the title of the bill.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. KUNKEL].

Mr. KUNKEL. Mr. Chairman, this so-called housing bill is a hoax in many ways. It will not increase the amount of housing in the country. It will not provide housing for those who cannot afford to pay. No limit is placed upon the amount of income a person can receive and still be admitted into a housing project. True, a limit may be set but it is entirely at the discretion of the Federal Housing Authorities here in Washington. In the past this limit has been high in general. From time to time efforts have been made to place a top limit of income on those eligible for admission. Time and time again during the past few years such limitations have been defeated by the proponents of bills similar to this one.

The statement made by Mr. Thomas Danahey, at one time president of the Detroit Housing Commission, is correct. He said:

> In the first place, it must be made clear that they—
>
> The housing projects—
>
> will not be rented to slum residents or welfare clients. The tenants in these buildings will be people with definite minimum incomes and to be eligible to move in they must prove that their incomes are steady. There seems to be an impression that the slum residents are going to take over the buildings. Such is not the case.

My chief personal objection is this hoax being perpetrated on so many kindly, well-meaning people who have been led to believe that those without funds and in dire straits can and will be taken into these projects. The history of projects built under the United States Housing Act of 1937 shows conclusively that this is not true.

Mr. Chairman, the fundamental reason why this bill should not pass now is because the country cannot afford it. We simply cannot afford it at this time, and this reason should appeal to everyone regardless of what their philosophy of government may be. No matter what the nature and character of a government may be, it must be solvent in order to be effective.

Mr. Chairman, this bill involves a commitment on the part of the United States Government to spend at least $16,000,000,000 over a period of 40 years. This is no ordinary authorization bill. The full faith and credit of the United States is pledged in the bill itself. This becomes a binding contractual obligation at the moment the contract is signed between the local housing authority, the dummy of the Federal Government, and the Housing Authority here in Washington. From that point on the United States Government is just as much obligated to pay the money—and the Appropriations Committee of the House is just as much obligated to appropriate the funds needed to carry out that obligation—as it is to supply the funds needed to pay the interest and to provide for the retirement of the Government bonds of the United States.

Of course, this is only an opening wedge. The gentleman from New York in his statement of yesterday proved the present desire to have a program reaching the amazing total of 1,000,000 public housing units per year. The figure of six and one-half million dwelling units is the generally accepted goal today. While this bill only provides for an annual obligation on the part of the United States Government of $400,000,000, yet if the total of six and one-half million units is eventually provided for, then at that time the United States will have undertaken an obligation forcing the Congress to appropriate $2,500,000,000 each year. If 1,050,000 units take $400,000,000 annually in contributions, then six and one-half million units will demand $2,500,000,000. Who amongst us is a good enough judge or prophet to foretell what the financial condition of the United States will be 2 or 5 years from now, let alone 25 or 35 years from now?

This is different from a pension; it is different from any other program. If you pass a pension bill and provide pensions for the veterans of our wars in case of need, that legislation can be repealed and the pensions can be cut down. This was done in the Economy Act of 1933 in respect to certain veterans' benefits. But, if you pass this housing bill, then for all time to come the Federal Government is obligated from the moment the contract is signed. There is no retreat, except by repudiation. That would mean national ruin.

There are too many Federal functions already. It is my feeling that if we are to economize at all in Government—and there is a real feeling for economy here in the House of Representatives and also throughout the length and breadth of this country, and if you do not believe it, just take a trip home and check on what I say—if you are ever going to economize at all, then the first essential step is to cut out and eliminate new programs at this time. Why take on new programs? If you take them on, and if you attempt to hold a balanced budget, then what you are doing clearly must be at the expense of the legitimate previously recognized constitutional functions of the Government. That has been very forcibly brought to the attention of this House not long ago when we had the military pay bill before us. The armed services had not had a general revision of pay since 1908; not an intelligent revision covering the whole subject. In many cases certain members of the armed forces had only a 10 percent increase in pay for years before the Second World War. Now, no one can deny that the Military Establishment is an essential Federal function; yet that bill was defeated here on the floor of the House. There was a great deal of opposition to it, much of it arising from the fact that it provided for a large expenditure of Federal funds at a time when the budget was running into the red, despite prosperity.

If you continue to take on new programs, programs which must be considered in the luxury class at this time, then inevitably you are going to cut down and jeopardize the legitimate functions of the Federal Government.

In addition to the $16,000,000,000 there are about $3,500,000,000 in other expenditures provided. The half billion for grants to aid slum clearance is money which will never be returned. It will go where the woodbine twineth. Much of the funds for the farm section will never be returned, because the Secretary of Agriculture is given permission and authority to proclaim a moratorium on both interest and principal under the terms of the bill. What a power to rest in one single individual. Economic life or death over the farmer, according to his whim or fancy.

The proponents claim that it will provide more housing in the United States. I am quite sure that it will not provide more houses from the over-all standpoint of the number of new houses constructed—instead, it will provide fewer. We had an experience some time ago—not so long ago, 1945—with the veterans' emergency housing program. Wilson Wyatt told how it would result in 2,700,000 new houses. You know what did happen. It cut the construction of housing down to a minimum—around 450,000. It was not until that bill, with all of its controls and regulations and tie-ups, was repealed in the Republican Eightieth Congress in 1947 that housing construction in the United States was able even to start. Then in 1948, 935,000 dwelling units were built.

The slum-clearance section requires that slums be eliminated, starting not later than 1951. Up until that time the localities can postpone demolition. But, in order to get the low-cost housing, slums must be eliminated. If the same amount of building was built by private industry, and if the slums were reconstructed and repaired, then you would have the housing created both by the new houses built by private industry, and in addition to that you would have the less desirable but potentially adequate housing of the slums which have been recreated.

Now, another thing you do. The threat of Government competition, the threat of the Government stepping into the field and taking over and of accumulating and hoarding the building materials and all of that is a definite threat to private industry. The tendency is to drive private industry out of the field of residential construction and to make private industry go slower. From the time of the election last fall, when it became

fairly evident that this bill might pass, there had been a distinct drop in the amount of private construction each month up until May of this year. That drop was much greater in proportion than in other lines of industry.

In addition, this proposal has a retarding effect on local and State action. The very fact that this bill was pending made many States hold off and refuse to start to do anything on their own. The same was true of the localities. If this bill is passed, then from that point on there is no question in my mind but that the maximum amount of housing and slum clearing in this country will be the top limit for which Federal funds are provided. No State is going to go farther than that when they see the "pie in the sky" of Federal funds looming on the distant horizon. The States will wait for the pie to drop in their laps.

The same is true of localities. So I feel definitely that it will have a retarding effect. If you look back over the past few years during which the agitation for the WET bill has been going on you will find that it has delayed and prevented housing progress. People and governmental units have not bothered to do for themselves what others were promising to do for them later.

I call your attention particularly to section 506. Actually, the substance of section 506 is contained in the present law. Section 506 provides that the Federal Housing Authority can take over all the projects built since January 1, 1948, by the States or localities. Of course, if that is done, and if the Federal Government takes them over, and if the Federal Government agrees to use these annual contributions provided for in this bill for the purpose of paying annual contributions to houses already constructed, then clearly those same funds will not be available to the Federal Government to use for aiding and constructing new houses.

Could that section be stricken from the bill? Yes, of course. It is in existing law. It has not had any effect to date because there have been no annual contributions with which to assume the burdens and take over the State projects when you provide the annual contributions—as you do in the present bill—and if you take that over that way, then you limit the number of houses purported to be built under this bill in the exact proportion to the number and value of the projects previously built by others and now made a State obligation.

If you do strike that section from the bill, the other alternative, then clearly from that point on no State nor locality is going to go in and do anything at all until they have in hand a signed contract assuring them of Federal contributions during the 40-year contract period.

Slums actually are self-perpetuating unless you require some kind of health, sanitation, and building standards and enforcement by the local communities. The standards in the bill apply only to the local housing authorities. They do not apply at all to the community outside the area limits of the Housing Authority. If you do not include some such standard, then your slums will be coming along just as fast as they ever did. You will have the same continuing necessity that exists today in the minds of the proponents of this bill for providing more low-cost housing and for clearing more slums in the minds of the proponents of this bill.

The mayor of Baltimore has been quoted quite extensively. He is quoted in the committee report on this subject and was quoted on the floor on how the Baltimore plan is only a temporary treatment. The mayor is a former colleague of mine, a good friend, and an able man. I should like to read to you a direct quotation from the hearings. Mayor D'Alesandro answered a question of mine, which brings out his unequivocal judgment on the point I am now making.

The questions I asked him and the answers by Mayor D'Alesandro, are as follows:

Mr. KUNKEL. If you do not have a pretty good standard of enforcement of health and sanitation provisions, such as you do in Baltimore, can you possibly avoid the continuing creation of additional slums?

Mayor D'ALESANDRO. You could not.

Mr. KUNKEL. The point I am trying to make is that the key to the final solution of this whole problem is the enforcement of proper standards on existing residential property, because otherwise you keep on building new houses to eradicate existing slums, but in the meantime new slums are creeping in and getting worse as time passes on.

Mayor D'ALESANDRO. Congressman, everybody tries to better himself. They try to move into new homes. They rehabilitate themselves and try to get into new sections. Nobody likes to live in the slums. I was born and raised in the slums, and I still live in the slums of Baltimore. And I did the best job of redevelopment in my section, by doing it with my own home, with my example, I tried to get people to fix their homes up and keep the old section alive.

Mr. KUNKEL. I mean you have to have the standards enforced in order to keep the property from deteriorating.

Mayor D'ALESANDRO. We do, yes. That is the Baltimore plan.

Mr. KUNKEL. Yes, and that is essential everywhere if you are going to go toward the eventual elimination of slums.

Mayor D'ALESANDRO. That is the point I am making; that that is your starting point, no matter what you do from there.

In other words, this bill at no point even attempts to hit at the root of the problem. The bill itself at best can be termed a temporary cure or opiate. Until you do something about maintaining and improving the conditions of these houses locally it really amounts to nothing at all in the long run. In other words, it merely continues a state of affairs for some later Congress to come in and try to do over again everything which it is being claimed is done by this bill. I hope the future Congress will try a method offering some hope. This bill certainly offers none. We hear a lot about the savings accruing from lessening crime and so forth, all of which will result from clearing these slums. I contend that you can have no savings at all from that source unless you prevent new slums from being created. The reason? It is not a particular slum which promotes crime. Crime can be created and caused by new slums and developing slums just as much as from an old slum.

These houses are not low-cost nor are they low-rent houses. The only question is who is going to pay the rent. Actually when we had hearings on the bill for housing at military posts it was testified, and this is absolutely up-to-date and recent, that 17 percent more had to be paid by the Government for its construction than was paid for the same type of construction work done by private industry. The estimates on how much more these public housing projects cost than similar houses by private industry run anywhere from 15 percent to 25 percent. In some cases, much more. The difference is and the question is who is going to pay the rent. The user of the accommodations, or the Government and the user. The subsidy by the Federal Government is $381 a year. Then to that you must add the local subsidy. This is brought about by the tax exemption of all local taxes, including school taxes and all States taxes. This is written into the contract. It is binding on the States and communities for the life of the contract.

Now that is $31.70 a month. The Federal Government can pay $31.70 toward the rent. Then, in addition to that, you have the amount paid by the locality. In our country there are 39,000,000 homes; 20,000,000 of them are owned by the people living in them, and 19,000,000 are occupied by renters. Those 39,000,000 families will be paying the rent for the favored million selectees who are going to be selected. I am not saying whether this selection is going to be good, bad, or indifferent, but somebody, somehow, is going to select them, and say, "You can come in and you can go out." You have 39,000,000 people paying Federal taxes and local taxes in order to subsidize the rents of 1,050,000 families. Worst of all, millions of these people are less able to afford high rents than many of those whose rent they are helping to pay.

This is not low cost, because the top limit of cost is $2,500 per room. In many sections of this country 99 percent of the homes owned or rented by the people living in them today did not cost $2,500 a room, even if they were built recently. For more than 50 percent of these homes did not cost near that much. May I make a suggestion to those of you who are so strongly in favor of public housing and intend to vote for it? Before you go home, find some good explanation—if you can—to give to your friends and your constituents who live in these lower-cost houses. They will be interested to know why they are being taxed, why their money is being taken over to some place else to provide, at their expense, a house for some other person's family. Personally, I think it is rather hard to explain, but I will not have to bother to explain this because I am going to vote against the bill. But it is something for the public housing advocates to have in mind, unless they come from New York, Detroit, or some high-cost city. The committee report—page 23—calls it unrealistic and not well founded to expect public housing to be built for as low a cost as private houses.

In other words, the Government will tax you to build a more expensive house for your neighbor than you built or rent for yourself. Great stuff.

In addition to that, as the gentleman from Kansas [Mr. COLE], has so well pointed out, there is discrimination all the way along the line. In the first place, there is discrimination between States because some States are not going to use any of these funds. Six States do not even have enabling legislation.

In the second place, the units will go mainly to the large cities where the construction costs are highest. Even assuming that a community does get a project, then you come down to the discrimination between individuals.

I am not going into the question of whether it might be just or unjust discrimination. The gentleman from Ohio [Mr. SMITH] has stressed the dangers of political control of human shelter in his minority report. It may be either, but the fact that some are going to be chosen and some are going to be refused shows that there is discrimination. Where there is to be a selection of some from among many, then you must select. Therefore you have this problem of discrimination inherent in public housing.

Now I want to go into the question of local taxes. No one has covered that to any extent. In the contract between the Central Housing Authority and the local unit, the unit must be exempted from all city and county taxes, all State realty taxes, and all district—sanitary, park, and so forth—taxes. That includes school taxes. That is a mighty important point. In the District of Columbia they charge $150 for each pupil from outside the District who goes to an elementary school.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. KUNKEL] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. KUNKEL. In the District of Columbia they charge $150 for each student from outside the District of Columbia who goes to an elementary school and they charge $200 for everyone attending high school. That charge is based strictly on what it costs to educate the child. I have not had a chance to make a Nation-wide check, but I have checked up on another community located not far from here in a neighboring State. There, a person with an above-the-average home, one which would pay more taxes than the average home in that community, pays about $95 in local taxes per year. It costs the schools in that town over $150 for the education of each pupil. I think it would be proper that we should make provision, if the program goes through, for people with large families, as the proponents contend should be done.

So you can see that this school-tax item alone will run into money for the local communities. There is payment in lieu of taxes by the Housing Authority. That is true. That amounts to 10 percent of the shelter rent. The average shelter rent is $2.30 per month per unit, or $28 per year.

Compare that $28 per year with the cost of $150 for one child in school and the cost of fire and police protection, garbage collection, and everything else which the municipalities furnish. Then you suddenly find that it is not all "pie in the sky" for the local communities. Meanwhile the town or city has given away by contract this big segment of its authority for a 40-year period.

Let us consider for a moment this matter of payments in lieu of taxes. These figures are taken from last year's hearings and are for the years 1945, 1946, and 1947. There are no figures for 1948 because the Committee on Appropriations did not provide for payments in lieu of taxes unless there was a contractual obligation between the Housing Authority and the community and then only in the amount specified in the contract. Often this was less than the 10 percent of shelter rent allowed in this pending bill. So we turn back to 1945, 1946, and 1947 to get the comparable accurate figures. We find payments in lieu of taxes were roughly one-quarter of the normal full taxes assessed against other property in the town. Therefore, three-quarters of the local cost is borne by other citizens of the community for the benefit of those in the project. Twenty-nine million dollars per year will be paid in lieu of taxes; therefore, $87,000,000 per year was borne by the local communities. Thus, it is apparent that in the long run there must be either an increase in local taxes on the nonproject property or the individuals living in the town or else more Federal control and more coming down here to Washington for additional money to carry through these housing projects. In addition to that, the future payments in lieu of taxes will be less rather than more. They will certainly remain constant at present levels and they may decrease, because there are a lot of high-income families in the housing accommodations today. They pay more rent than the others. The program announced is to put those families out and take the low-income families in. Shelter rent is gross rent less the utilities. As those higher-income families go out and new low-income families come in at a lesser rent, the payment in lieu of taxes will tend to drop.

I wish to close by pointing out one thing: In this country today, no matter what we would like to see, there is a strong drift towards public ownership in many fields. The most striking illustration of that is the way in which the Federal Government has taken over atomic energy. That has been put entirely and absolutely in the hands of the Federal Government. There was no alternative. It was the only way to handle this new force, because of its very nature. Atomic energy has potential dangers to the human race, we know. So we have to put control in the hands of the Government; we cannot allow school children to be running around playing with some bit of atomic energy. We cannot afford to allow private industry to speculate with it except under strict Government supervision. The point is: by placing this in the hands of the Government you have given the Government complete control over the great source of the power and energy of the future. There was no alternative; we had to do it; it was in the nature of things.

The Government has entered the field of public power mainly because of scientific developments, particularly the fact that hydroelectric power is a natural byproduct of dams. Flood control and navigation can best be promoted and furthered by building dams. So we naturally drifted into that field. I could point out many other examples of this drift (radio, television, and so forth), though perhaps not so striking. So many things simply cannot be kept out of the hands of the Government with modern science and invention at its present stage. Hence, it is all the more important to hold all that we can in the hands of private individuals; and of all the things which we should retain in private hands I believe human shelter and the building of houses and the owning of houses is one of the most natural and most vital. Clearly, in connection with the building of homes there is no demand and no call comparable to that in the case of atomic energy.

You have this drift. It is extremely dangerous. The current pulls us toward the rocks of statism, and complete statism. The full union of economic control with political control is the thing we have to fear. Political control of any government, whether it is a socialist government or a totalitarian government or a democratic government, must be vested in the hands of a few people. A small group must always make decisions and issue the orders to carry them out. We have to have a small number down here in Congress, 531 out of 148,000,000. All 148,000,000 could not get together and vote on the innumerable questions arising. We have to have a small group down here at 1600 Pennsylvania Avenue, who are going to make decisions, the President, his Cabinet, and so forth. You cannot disperse political power too widely. It becomes unwieldy and ineffective. In the political area, it has always been that way. You can spread economic power throughout the country. You can disperse it widely. Where this has been done, and where it has been relatively free of political control, there the great advances in civilization and in human welfare have occurred. Strangely enough, many of the people who argue most vigorously for this great concentration of economic power with political power in one group of hands at the top of the Government are the same people who wisely pointed out that the obvious and entirely similar defects and abuses which come about from the too great concentration of economic power in the hands of too few individuals and groups. Their solution, it seems, would be to magnify the evil by vesting all economic power in one place. That one place is where the even vaster power, the political power, already resides. Government can step in and discipline big business. But if big business and big labor are swallowed up by big government then who is to police big government?

As long as we have a certain amount—no one knows how much the amount is—of power dispersed in the hands of individuals and groups throughout the country there is the ability to resist the Government and prevent too great abuses. If and when that drifts too much into the hands of the Government, then there is no effective ability to resist left. Then you have your totalitarian state. The state does as it pleases. The rights of the individual disappear.

If we are going to turn over to the State those things which are completely unnecessary to place in the States hands at a time when the Government has not the energies or the money or anything else to go into those fields, if we are going to do that at this time, then I say we are taking the greatest step toward socialism that any nation could possibly take. Bit by bit we add to the drift caused by science and invention. We give the turn of events momentum.

Socialism has a good ring to many people because the definition of socialism usually accepted is a free, classless state with a tinge of internationalism connected with it. I think we can all agree that a free, classless state is a highly desirable objective toward which we can direct our policies and toward which Government should strive. By concentrating economic and political power in the hands of a few people, then, in my judgment, what you do is to take a practical step which will completely defeat this desirable ideal, an ideal all of us have in mind and which all of us want to further in this Government of ours in the United States. Do not ever forget this: The United States is the closest approach—by far—to this free, classless state in the world today, or in the history of the world. We came along this road by keeping the economic and the political power pretty well separated.

Mr. Chairman, we must resist this trend. Human nature has not changed much. We have gone a long way in science, but we have not begun to understand man. Until you find the time when you can change human nature, you had better rely on harnessing the impulses of selfishness and using means and incentives to channel them into desirable pathways productive of over-all human benefits and adding to the general welfare instead of risking the corruption of this small group at the top by giving them an undue concentration of power. Power corrupts, and the greater the power, the more danger of greater corruption. The founders of this great Nation understood power far better than we do. They safeguarded at every turn against the concentration of power. Church separated from the state, States juxtaposed against the Central Government, the executive, legislative, and judicial branches of the Federal Government given checks and balances against each other, and above all, the economic power widely dispersed and segregated from the political. We face a challenge from the nature of the modern era. Let us try to meet it and resist yielding to it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. LEFEVRE].

Mr. LEFEVRE. Mr. Chairman, as a great believer in free enterprise, I cannot help but oppose H. R. 4009. Controlling rents is bad enough, but in passing the last rent-control bill, we paved the way for gradually doing away with it and at least getting it back to the State level. However, rent controls combined with a Federal public housing bill will practically kill the private home building industry and lead further to the totalitarian state, which I am certain the majority of Americans are bitterly against. We have the examples of both France and England to refer to and why the American people should have any desire to learn the hard way is something I shall never understand.

To my way of thinking, this is one of the most important pieces of legislation in the so-called Truman socialistic program. Every day my mail is filled with letters from good, sound American citizens from my district protesting the administration's spending policies. To launch upon a $19,000,000,000 program, which continues over a period of 40 years, at the present time when the Federal income is bound to be a great deal less than estimated, just does not make sense.

I have to admit that there are sections in my congressional district where some low rent housing could be used. It is not to any great degree due to a shortage of houses. Local papers in these areas carry longer lists of houses for sale than have appeared in their columns for years. Unfortunately, the sale prices of these houses are too large for some of those needing homes to carry. I honestly believe that situation is gradually changing. Material prices are coming down and the net result will be lower unit prices. I am under the impression that some of the people in the mid-Hudson River section of New York State believe that the pending housing bill will ease the housing problem for the low income families. Now let us be realistic. If this bill passes, only a few of the larger metropolitan areas will get the public houses. I can very easily picture the distribution being used as a patronage bid for increased votes where it will do the most good. As Al Smith would express it, "The record shows that has happened before." The record of the construction industry proves very definitely that it can cope with the housing problem without Government interference. Since the war, the United States Bureau of Labor Statistics reports that private builders have erected nearly 3,000,000 units. Last year alone, nearly a million homes were completed. Now we have a bill calling for the erection of 1,050,000 units in 7 years at a cost of between sixteen and nineteen billion dollars. Four hundred million dollars would be used annually for 40 years to pay the subsidized rents. Should the bill pass, at best only 150,000 units would be built a year and the sad part is the effect that this small number will have on those with venture capital. Those able and willing to invest in homes will refuse to risk their capital in the face of Government building and no one can criticize them. It has been stated that at best only 6 percent of those who would qualify would be cared for under this bill. In all fairness, is it right for all the others to be taxed to help pay for homes for these few? Of course it is not. I have always said that the Government has no business getting involved in any business unless that industry fails. Certainly private building is doing an outstanding job to alleviate the present housing shortage.

Those of us who have watched our local tax problems grow must also consider this bill from that angle. Public housing projects are to be exempt from the regular real estate taxes. But still the municipalities will be expected to furnish all the regular utilities plus all the public services received by the other residents. Again the tax burden increases to take care of the few who might be benefited.

It has been brought to my attention that New York State paid 19.05 percent of the total internal-revenue collection for the year ending June 30, 1948. This means that if H. R. 4009 becomes law, New York's share would be equivalent to a State's 40-year bond issue of approximately one and three-fourths billions of dollars. Then you have to add to that the indirect costs, which include the expense of extending streets, sewers, water, police, and fire protection, estimated at about one-third of the direct cost. This brings New York State's share way over $2,000,000,000. For your own satisfaction, reduce the above figure to your own town's proportionate share and then decide whether such extra tax burdens might bankrupt your communities. Personally, I would rather have no public housing than to obligate my constituents to pay for it elsewhere, thereby saddling my district with a tremendous extra burden.

This bill, after all is said and done, will have very little to do with making it easier for people to buy, build, or rent houses for themselves. It is a bill very similar to the one blocked in the House last year. In addition to the public housing feature, it has a slum-clearance provision and farm housing. The slum-clearance section is the best feature in it, but this, too, would cost hundreds of millions of dollars. The farm provision is generally conceded to be a political move to help the tenant farmer of the South. I doubt if any farmers in our part of the country could qualify.

In closing, I simply wish to state that the principle of this legislation is far from the American way. Home ownership has been a great help in building America. Every citizen who has worked and saved to own a home is proud of that fact. Let us not let him down. We all believe in progress, but when we let our ideals run away with our good judgment, and thus tend to weaken our financial stability, we must call a halt. We must hold our position as the financial citadel of the world, or all will be lost with complete collapse.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

EXTRAVAGANT ESTIMATES

Mr. PATMAN. Mr. Chairman, I do not agree with the distinguished gentleman from Pennsylvania, who has just addressed the committee that the figures are as large as he has indicated. In fact, the amounts given by him are very fantastic and greatly exaggerated, in my opinion, from the investigation I have made and from the knowledge I have of this subject.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. YOUNG. The gentleman from Pennsylvania who just preceded the gentleman now speaking stated that this low-cost housing or slum-clearance program, if enacted by the Congress, would be the greatest step toward socialism any nation can take. I wonder if the gentleman from Pennsylvania considers Senator TAFT, of my State, who has supported this legislation, as being a Socialist?

CHARGE OF SOCIALISM UNFOUNDED

Mr. PATMAN. I do not consider the program socialistic. In the Senate, I think, there were only 13 votes against it out of a body of 96 Members. I cannot conceive of 50 or 60 United States Senators voting for a bill that they believe is socialistic. Anything in the interest and for the benefit of poor people is almost invariably branded as socialism. Back when we had all private schools, and efforts were made to have public schools, the cry of socialism went up; destroying private enterprise, private business, private schools. But now you never hear anyone contend that the public-school system is socialistic.

I recall the time when we had toll roads and highways. Every 5 miles you would have to stop and pay tolls. The tollkeeper was there. When the county or the city or the political subdivision attempted to build a highway the cry went up, "Why, that is socialism; that is destroying the private enterprise system." But now you never hear of any such charge as that. I recall the time when people coming into my home town, Texarkana, Tex., were required to cross the Red River, coming in from the Arkansas and the Oklahoma and the Louisiana side. In order to cross that river they had to cross on a ferryboat. That ferryboat represented an expenditure of just a few hundred dollars, but it made several hundred dollars every day. It was a very profitable operation. At one point, when the people of the county got together and voted funds to build a fine bridge and do away with the ferry, the people who owned that ferry were charged with dynamiting that bridge and destroying it on the theory that they were against the socialistic system, and they did not want to have private industry destroyed by having a publicly owned bridge, incidentally destroying a business for themselves. Now you never hear of any objection to eliminating toll bridges and toll highways nor free public schools. But everything that comes into the House like this for the poor people, although it represents only one-half of 1 percent at the maximum of the residential housing units of this country, the old cry of socialism is brought out again. It is not socialism to do things that will prevent both communism and socialism. This country was on the verge one time of communism and socialism but it was saved because the Congress passed certain legislation that was helpful and helped the people promote the general welfare, and the people have no longer thought about communism or socialism.

The preamble to the Constitution of the United States says:

> We, the people of the United States, in order to * * * to promote the general welfare * * * do ordain and establish this Constitution of the United States of America.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Louisiana.

Mr. BROOKS. The gentleman is making a splendid statement and I hesitate to interrupt him when he is making such a fine statement. But, as he was talking, I recalled the news release which reached my office, I think, yesterday or the day before, from the national commander of the American Legion, Perry Brown. Perry Brown happened to have lived in my congressional district at one time and he now lives in the State represented by the gentleman from Texas. He is a strong disciple of private enterprise, and his all-out statement for the Legion indicates clearly that he feels the Legion's viewpoint is that it is a patriotic program.

Mr. PATMAN. I thank the gentleman. The American Legion is behind this program as indicated by the gentleman from Louisiana, because the American Legion is an unselfish organization. They have differences of opinion, of course, but generally they are unselfish and they want to see the right thing done.

PROMOTE GENERAL WELFARE

Concerning the general welfare, it is our constitutional duty to pass laws that will promote the general welfare. We are charged with that duty under the Constitution of the United States. One of the first things we do here in the House is to take an oath that we will support the Constitution of the United States.

Our country has been referred to as a welfare state. That is the correct name for it if you go according to the Constitution, because the Constitution says we must promote the general welfare. A welfare state, yes. That does not mean socialism, communism, or fascism; it means private enterprise. It means the Government can get into certain lines of business where it is necessary to promote the general welfare.

Not so long ago I had a letter from a good banker friend of mine. He was objecting to the Government's getting into any type business in any way, shape, form, or fashion, words that you often hear along that line. I did not write him this, but I could have, that if we were to get the Government out of all kinds of business the bankers would not have any business at all. The only business they have is operating on Government money, money created by the Government of the United States. If you take the Government out of the banking business the bankers do not have any business. So we cannot in every case take the Government out of business.

I do not want the Government in the housing business, no; but in a case like this these people that will be provided housing, and decent housing, for the many reasons which you are acquainted with and which I shall not repeat, cannot buy any kind of a house. They talk about them buying a $5,000 house. They cannot buy a $5,000 home, a $2,000 home, a $1,000 home, or a $50 home. They cannot buy any price home. They are the people we are trying to take care of, poor folks who cannot buy anything.

It is not contemplated that 810,000 families will stay in these 810,000 units for the next 40 or 60 years. During that time 10 or 15 or 20 families will occupy each one of these units. There will be a turn-over. The 810,000 will go in but, as they have a larger income, more income, they will go out and buy homes for themselves and other people will come in. In that way, if the cost is $8,500 per unit, as estimated, if you divide by 10 families using it over a period of 40 to 60 years, the cost is only $850 per family, which is not very expensive to take care of a family. So this argument about the cost of these units has certainly been greatly exaggerated.

SELECTION OF TENANTS

The gentleman from Pennsylvania made an argument that should be answered about the selection of these tenants. He said someone is going to select these tenants, and that there will doubtless be discrimination in the selection. I will tell you how they will be selected, and use the gentleman's home town for it. He is from the great city of Harrisburg, Pa., the capital of the great State of Pennsylvania. They have housing projects there, more than one. They have never had a Democratic mayor in Harrisburg, never in history. When the housing authority was created, the Republican mayor selected the directors for that housing project. They were confirmed by the city council. They are outstanding men and women, business and professional leaders. Look at the people who are on the board of directors of these housing authorities. You will find the finest and best people in the United States. Now it is said that some Members of Congress want to vote for this because they can put their friends in these housing projects. Of course that is utterly ridiculous. A Member of Congress has no influence over it whatsoever and he should not. We have a housing project in my district. We will not have another one by reason of this legislation. We are not getting anything out of this for my people—not 1 penny. But I believe in promoting the general welfare of all the people of the United States. That is our duty under the Constitution. When the people are selected for the housing unit in Harrisburg, Pa., the Member of Congress has nothing to do with it. When they are evicted from

that housing project a Member of Congress has nothing in the world to do with it. Only the board of directors selected by the Republican mayor of Harrisburg has any control or jurisdiction or authority over that housing project. Yet they claim that there will be all kinds of politics in the selection and the evictions of these tenants in these different housing projects. There is not a word of truth in that, at all.

SELFISHNESS AND GREED

We have selfishness in the private-enterprise system. I am a great believer in the private enterprise system. I want to encourage it and help it and not do anything to retard or destroy it. But I concede that in a private-enterprise system there is selfishness. We are all selfish. That is why we work so hard—we work for ourselves. That is expected. No one denies it. We all admit it. That is all right. That is what makes a great country—the private enterprise system spurred on by selfishness. I am for it. But greed is different. Greed goes beyond selfishness. Where there is greed, there is no vision. Greedy people cannot see the general welfare. They only see their own interests and they cannot look at the general welfare at all. So, where there is greed there is no vision and I believe the Good Book tells us that where there is no vision the people perish. We have a lot of greedy people in this country and when anything comes up to help the poor folks they are against it. They are against anything to help the poor. Private-enterprise system will be helped by this bill as private contractors will construct every house and every unit in every project. Private suppliers of materials will furnish the materials for these projects. They will build houses which would not otherwise be built. Were it not for this bill these houses would not be built. Yet they oppose it—why? A lot of them are greedy—I do not say all of them are, but most of them are, because they want to continue doing business as they are. They say, "Let them do it under the FHA. Let them build some low-priced shacks or houses."

As I said awhile ago these people cannot pay anything for a house. They cannot pay $50 for a house. Many of them have had misfortunes over which they had no control. They do not have the earning power. Thus the slum conditions have been created which we must eliminate in order to promote the general welfare. That is the object of this bill.

There are greedy organizations that have been fighting this bill. We have the Committee for Constitutional Government. We have the National Association of Manufacturers and the United States Chamber of Commerce. If you will notice, the same groups—exactly the same groups—fight every bill that comes up here which has for its purpose the promotion of the general welfare. They fight not alone, but shoulder to shoulder.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield 10 additional minutes to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, they fight every bill which is designed to promote the general welfare. They have plenty of money. They have ways of getting money. Under our tax laws we pay for that—the taxpayers pay for it. Corporations which are now earning four times and five times as much as they ever earned before, corporations which are retaining more of their earnings than they ever retained before, can make contributions to these different groups because they claim they are educational. They do not admit that they are propagandists. They claim they are educational. In that way they get tax deductions. They do not have to pay taxes on this money that they contribute to these organizations. That is up to 5 percent, and in certain cases 15 percent, of net and gross profits.

But there is still a better way of getting that money. They can buy at high prices books and literature and things like that, unlimited amounts of money, and they will deduct it as business expense, and get a tax reduction. So that the people, indirectly, are paying for all of this propaganda. The amount of money that they can spend is unlimited. Yes; they put a lot of people to work—spending money that should go into the United States Treasury. There is no limit to the amount of money that they can get for that purpose.

The corporations last year were really greedy. I say again, where there is greed there is no vision, and where there is no vision the people perish. If you leave it to the big corporations of this country to do what they did last year, we would not have any private enterprise system. We would either have communism or fascism. They would be the only alternatives. Last year they earned $21,000,000,000 after the payment of all taxes—manufacturing concerns—four or five times as much as they ever earned before. Mr. Truman was right. They were causing inflation by high prices.

WHAT IS WRONG WITH STOCK MARKET?

Now, these greedy people say, "What is wrong with the stock market? People are not buying stocks like they should." I have been told of one corporation with a million shares that has $13,000,000 of actual cash money and United States Government bonds. If it should liquidate immediately each shareholder would get $13, not considering the business and the going-concern value of that business, and that stock has been selling for $9. Why is that? I will tell you one or two reasons why. Whenever the stockholders see the officers and directors, who own very little of the companies they represent, keeping nine-tenths of their earnings, holding it back from them, keeping it out of the stream of business, they begin to get suspicious and they say, "Why should I own stock in a concern that is run by people who own so little of the company that they do not care for the stockholder?"

The American Telephone & Telegraph Co. is one of them. All the officers and directors running that company own one thirty-third of 1 percent of the stock of that company. Imagine those officers and directors owning one thirty-third of 1 percent. They have the power to do most anything they want to do with the earnings of that corporation. They can contribute to all these propaganda outfits, make available to them all kinds of money for all kinds of purposes. In addition to that, they can vote themselves retirement benefits, $25,000 or $50,000 a year; annuities costing $100,000; bonuses and big salaries up to six and seven hundred thousand dollars a year. The stockholders have no control at all over the company. They cannot even get consideration of any viewpoint they might have. Whenever they see a few people owning a small part of that concern, exercising all that power and authority, and abusing it, they have a right to stop, look, listen, and think. So the people who are greedy are the ones who are causing this situation, and I hope that the paid lobbyists, who are the special pleaders to fight this bill in the interest of the general welfare, will not prevail, as they have not prevailed in the past.

Let me invite your attention to the present law that was passed in 1937. Mr. Straus, from New York, came before our committee and advocated it. Under that law we have today 152,289 active residential units under the 1937 act. Do you know how much we contribute each year for the 152,000-plus? It has been said that we contribute $24,000,000. We are liable for $24,000,000, but we appropriate only $5,000,000. So these figures are greatly exaggerated, and it is not likely it will be $5,000,000, because so much will be paid in rents by the people who occupy this space. So I hope that every Member of Congress will give serious consideration to this and not be led astray by these fantastic statements about the huge cost, which are grossly exaggerated.

In this case the opposition to this housing act is led by greedy organizations and by a lot of greedy people. Some of them are not greedy; I do not believe all of them are, but generally the greedy people are spearheading the opposition to this legislation as they have spearheaded the opposition to all such measures in the interest of the general welfare. I heard the gentleman from Missouri [Mr. CHRISTOPHER] the other day make an interesting statement which I think is worth repeating. He said that when he is called upon to vote upon a bill he first wants to understand the provisions of the bill and make sure what it will do if enacted into law. Then he votes for or against it according as the provisions impress him. Then he looks around to see who is behind it, who is sponsoring the bill; then he looks around to see who is opposing the bill; and in that way he can usually come to a good conclusion. In this case you find exactly the same people all the time opposing legislation, anything in the interest of the general welfare. They spend millions and tens of millions of dollars in order to mislead and deceive the people.

I hope the Members of this House will vote for this bill.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, over the years, the House of Representatives has earned the honorable reputation of never forgetting the needs of one large group in the country that has won its right to be heard the hardest way. I speak of the veterans, the men who risked their lives in battle to preserve the democratic way of life we treasure so highly.

It is fitting and proper that we should listen to their pleas when they come before us. Our debt to them is great. Any proper consideration we can give them honors us as well as them. As we draw near a decision on the proposed Housing Act of 1949, therefore, it appears appropriate for us to ask what the views of the veterans are on this highly important measure.

Does this bill mean anything to the veterans? What is their stake in it? Are the men and women who served their Nation in its perilous hour in favor of slum clearance, housing assistance for the families of little means in the cities and on the farms, and an orderly program of research to cut building costs and improve housing standards?

Many of my colleagues in the House are themselves veterans. Some are veterans of two wars. I think they will have a particular interest in the views of their comrades in arms.

They will join with me in rejoicing that all the organizations who speak for the veterans—yes, all of them—are of one mind and forthright in their attitude toward this forward-looking housing bill. They are for it, gentlemen, all of them.

Who are some of these veterans who call upon us to act in favor of the housing bill? Let me name some of them for you. I can only mention a few, but their voices speak the minds of thousands and millions of others like themselves.

One of them is known to all Americans. He is none other than Gen. Jonathan M. Wainwright, the beloved hero of Bataan and Corregidor. As national commander of the Disabled American Veterans, he told our Foreign Affairs Committee last February:

> In keeping with our proposed objectives during the coming year, we will ask Congress to stimulate construction of low-cost rental units for compensated service-connected disabled veterans.

More recently, Charles E. Foster, assistant director of national legislation for the Disabled Veterans, appeared before the House Banking Committee. I quote from his testimony:

> The Disabled American Veterans is * * * primarily a single-purpose organization dedicated to securing benefits for those who, as a result of their service to their country, lost a part of their bodies or minds. Because of the critical housing situation, we are appearing here today in support of H. R. 4009, a bill designed to stimulate the construction of housing for both city and farm dwellers.

Now let us add another voice to the roll call for veterans who answer "aye" to H. R. 4009. Here is the American Legion, more than 3,000,000 strong. What did the Legion have to say about the housing proposals before us? At its convention in Miami last October, it adopted a resolution calling for a genuine overall housing program. Let me repeat here the five points of their program:

> 1. Federal aid to States and municipalities for low-rent public housing for families of low income for whom private enterprise cannot provide.
>
> 2. An adequate farm and rural nonfarm program with Federal aid for families of low income.
>
> 3. Adequate Federal aid to nonprofit veteran cooperatives for large-scale developments including 100 percent Government-guaranteed financing or where not available provision for direct Government loans.
>
> 4. Federal aid to States and municipalities for slum clearance and urban redevelopment.
>
> 5. A more adequate research title than presently provided in the Housing Act of 1948.

That is the program which the Legion urges. Note well that four of the five points—slum clearance, public housing, farm housing, and research—are covered by H. R. 4009. Indeed, the Legion's resolution is virtually a brief summary of the pending bill, so closely does it follow the Legion's suggestions.

Now here is another voice from the veterans. This time it is the Veterans of Foreign Wars, among the largest of the veterans' organizations. Its spokesman before the House Banking Committee, Jack Carter, speaks for 1,500,000 veterans. He minced no words when he termed the housing problem perhaps not so dangerous a problem as potential invasion by an unfriendly nation, but certainly a problem of which we should take immediate cognizance.

The VFW gave the bill its specific endorsement. Its spokesman even went so far as to imply that the bill might well be expanded in its dimensions. He said:

> No claim is made here that the bill H. R. 4009 would solve the entire housing problem. In fact, only about 10 percent of the estimated demand, currently set at about 15,000,000, will be met if all 1,050,000 units called for by this bill are built. It is, however, a start and will without question serve a portion of our population in dire need.

Still another group of veterans solidly behind H. R. 4009 is the Jewish War Veterans of the United States. It too realizes that this bill is not only important to the veterans, but also to all other citizens who are without decent housing. This organization, at its fifty-third annual encampment last September, approved the bill in substance and also authorized its national officers to work for its passage.

The Jewish War Veterans support this measure because it realizes that it is sound economy to replace slums and squalid shacks with decent homes for American citizens. I believe its representative, Bernard Weitzer, spoke the feeling of many of us when he told the House Banking Committee that the expenditures contemplated in H. R. 4009 "would seem to be sound practical economy—eliminating a huge financial burden which produces nothing but brief and creating a physical environment which results in sound, healthy citizens who would add to, rather than diminish, our resources."

The American Veterans Committee, an organization born of World War II, also replies to the roll call with a resounding statement in favor of H. R. 4009. During the hearings before the Banking Committee its national vice chairman, Joseph A. Clorety, Jr., said:

> The bill meets with our hearty approval insofar as it sets forth the basic provisions for an adequate program of low-cost public housing and slum clearance. This bill is not a veterans' bill in the sense that that term is usually interpreted, but for the American Veterans' Committee it is a veterans' bill in the truest sense of the word. By providing decent housing at rentals which our Nation's low-income families can afford it creates the kind of healthy society in which democracy can flourish. That kind of society is what we, as members of our armed services, fought for during the war; we are still fighting for it today as veterans.

To continue the roll call, we find the American Veterans of World War II, popularly known as the AMVETS, calling for favorable action by this Congress on slum clearance and public low-rent housing. Frank D. Scriven, cochairman of the AMVETS national housing committee, directed attention to the bipartisan support for this kind of legislation in these words:

> There seems to be a general acceptance on the part of both the Democrats and Republicans of the necessity of furnishing the Nation with the public-housing and slum-clearance legislation. * * * The AMVETS convention mandate regarding low-rent housing reads: "That we urge Congress to provide 125,000 low-rent housing units, better known as public housing units, in each year for a period of 4 years.

As we pass along the file of veterans, we find still another great veterans' group looking to us to pass the pending legislation. This time it is the Catholic War Veterans, asking for an end to the years of fruitless debate on this subject and passage of H. R. 4009.

To this roster must be added the Paralyzed War Veterans of America, a group of brave Americans whose war wounds keep them confined to wheel chairs for the rest of their lives. They, too, are advocates of this legislation, asking that part of the housing this bill would provide be adapted for occupancy by veterans who have lost the use of their limbs.

The unanimity of veterans on the subject of this legislation is truly impressive. They stand united, shoulder to shoulder, as they stood when they answered the Nation's call to arms.

Will we listen to the veterans today? Will we heed the entreaties of those who were willing to offer their lives for us? Or will we heed instead those who boast of their power to stop such progressive legislation.

The choice is soon to be ours. The veterans will be waiting for our answer.

I urge my colleagues to support this legislation.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman and my colleagues, deep-seated, long-rooted prejudice generally allows no room for reason. Manifestly, in this debate so far there have been many expressions which clearly show preconceived opinions, deep-seated prejudice, and long-established opinions which leave no

room for reasoning together on such a bill as this.

For instance, when so many Members on the Republican side of the aisle emphatically declare that all the proposals in this bill are sounded in socialism, they, of course, inferentially at least, thus publicly declare that all the Members of the United States Senate—both Republicans and Democrats—who voted for public housing a few days ago are Socialists in their attitudes toward their responsibilities to the American people. How else would you, my colleagues, define a category of conduct for your Republican colleagues in the United States Senate who a few days ago voted for public housing such as we have before us today? Would all these Republican Members of the United States Senate have voted "aye" for public housing just a few days ago if they had not been Socialists?

Manifestly, the very ridiculousness of my question makes the argument against this bill by Republican Members of this House, on the grounds that it is socialism, more ridiculous and unreasoning than could be possibly imagined in such a house of debate as this is challenged to be.

Yesterday the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN], in his prepared speech, which he so ably read, in opposition to this bill stressed the premise that the outlook of this bill before us today would result in socialism. Well, the gentleman from Massachusetts [Mr. MARTIN], the Republican leader in this House and Senator TAFT, the Republican leader in the United States Senate, evidently strenuously differ. For Senator TAFT not only voted for the public-housing bill in the Senate—he was an author and sponsor and active source of support for public housing the other day in the Senate.

May I ask my Republican colleagues a few questions about socialism in the sense in which they apparently used it in discussing this bill. Was Abraham Lincoln a Socialist when he signed the bill enacted by the United States Congress which gave to the Union Pacific Railroad thousands upon thousands of sections of good, fertile soil in order to make it possible for the Union Pacific Railroad to build its line to the golden State of California from the East? Was it socialism for the Congress in Lincoln's time to enact legislation to aid private enterprise in the worthy concept of building this railroad from the East to the West. Manifestly, private capital could not and would not then undertake the building of such a railroad at such tremendous cost. Did that destroy private initiative in the field of railroad building in the United States? Or did it encourage it? Was it socialism when the United States Government, through President Franklin Delano Roosevelt, declared a bank holiday and thus saved the private investments and deposits in the banks of the Nation? Was it socialism when the Securities and Exchange Commission was created for the protection of purchasers of securities in the United States against the corruption and dishonesty of a few greedy men in our Nation? Was it socialism when the taxpayers of the United States pledged their credit to guarantee bank deposits in Federal banks? Was it socialism when the taxpayers of the United States, through congressional action, guaranteed the deposits in Federal building and loan associations?

Of course it was not, nor is it. And these years of experience have proven, beyond a doubt, that the entrance of the credit and protection of the credit of the United States in these fields, as well as others, has been a boon to the mental attitude of all the people of the Nation and has proved a strengthening factor to the banks and lending agencies doing business as private enterprise.

I wish to direct most of my remaining remarks to the portion of the bill which relates to slum clearance and construction of decent housing for those low-income families who are compelled to live in such areas on account of their low income. I call your attention to the fact that a recent article in the Atlantic monthly presented some facts which show that, far from wasting money, every dollar the Government spends for slum clearance and public housing actually saves us money. For instance, it is pointed out that one-fifth of our country's housing is presently in slum areas and that these same slum areas provide homes, at this very hour, for about one-third of our total population in the United States. Therefore, what affects one-third of our total population definitely affects all three-thirds or the total of our population. The health, the morality, the mentality, the home conditions under which one-third of our people, men, women and children, are compelled to live, determines the destiny of how the other two-thirds of our people will be able to live in the near future, for, out of this one-third of our population which presently lives in slum areas, will come millions of underfed, underschooled, ill-healthed, delinquent, dependent children from broken homes, from immoral and unmoral conditions.

The same Atlantic monthly points out that present slum housing in the United States yields only 6 percent of the total real-estate-tax revenues, upon which most towns and most American cities are compelled to rely for the bulk of their operating funds. In other words, gentlemen, one-fifth of the housing in the United States at the present time pays only one-sixteenth of the real-estate taxes in the cities of the United States. Is this good business? Is this sensible revenue methods for our cities? No wonder private capital has never adequately occupied the field of low-income housing in our cities. And yet, at the present time, most of our slum areas in most of our American cities have been built with private funds.

And, in return for this 6 percent of the real-estate-tax revenue to our American cities from slum-housing areas at present, the Atlantic monthly states that slum areas in every American city require an average of more than half of the available medical and institutional care; half of the time of the police; one-third of the time of the fire departments; and most of the welfare benefits paid for by the cities, or through the city agencies, by the taxpayers of the county in which the city is situated, or by the State. Think of it.

I call it Americanism to be concerned about such a condition as this, and the lack of being concerned about it to the point of doing something about it, is not in keeping with our American way of life. Our very self-interest in one-third of our population should determine that we will not tolerate the condition to longer exist which predestines that more than 50 percent of medical and institutional care and half of the police time of our Nation and most of the welfare benefits is going to those who are compelled to live in slum housing on account of low income.

And how low is their income do you say? It is established that 20 percent of our city families earn less than the sum of $1,500 per year. And there you have it. Instantly I give you that figure, your mental reaction is, I know, to ask ourself this question: How in God's name do they live on that low income? But, Mr. Chairman and colleagues, the cold fact is that they are compelled to live under unbearable, unhealthy, disgusting, and disgraceful conditions because they are earning less than $1,500 a year. How would you like to have your wife and children live on $1,500 a year?—yet you and I can do something about making it unnecessary for these millions of American men and women and growing children to live in "hellholes" which we designate for the purpose of this debate as "slum housing."

Let us take a look at what these governmental costs mean in dollars and cents to take care of the one-third of the people of our Nation who live in slum housing. For instance, the United States Census Bureau informs us that annually our 397 cities in America of more than 25,000 population expend over $220,000,000 for health and hospitalization; over $335,000,000 for police protection and control; $215,000,000 for fire departments; $272,000,000 for public welfare. Nor does this $272,000,000 for public welfare include the millions and millions of dollars raised and expended by the community chests and similar welfare agencies in our Nation. Therefore, it is fair to adjudge that about $614,000,000 may be considered as an annual cost of continuing our slum housing. It likewise means, in the ultimate, that we are actually not saving $400,000,000 annually by continuing to ignore our slum problem and by continuing to do our duty as fellow Americans to release these millions of our neighbors to a decent living condition from an unbearable living condition over which they have no control. In fact, we appear to be wasting approximately $214,000,000—nor does this include the cost of the human and degrading misery of the millions of our fellow citizens who have to live in these degrading and destructive conditions in the American slums because no other low-cost housing is available.

And you, my colleagues, will be compelled to agree with me when I state that you and I know by past experience that private enterprise has not, cannot, and will not enter this field of low-cost housing. Private enterprise is naturally

and normally concerned with making monetary profit. I do not criticize private enterprise for not risking its invested capital in this slum clearance and slum construction. But private American enterprise is injuring itself and risking economic insecurity for its other investments by reason of helping to force one-third of the people in American cities, with their children, to continue to live in slum areas.

I do hope that every Member of this great deliberative body will find time to read the total text of H. R. 4009. It is not compulsory; it does not compel any borrower or any agency to borrow or to proceed. Whether or not any slum area is destroyed and removed and a new, low-income and decent place to live is constructed by or in any American city or community, is determined entirely by the governing body of that city or community. This bill merely makes it possible for American cities and communities to remove from their midst these open shores of juvenile delinquency and crime; these breeding grounds of physical disease and serious mental disorders; these schoolrooms of iniquity and storehouses for unpatriotic sentiments and communistic ideologies. Having been juvenile court officer of Los Angeles County, and having been the counselor for more than 100 delinquent and dependent boys at the George Junior Republic in California for more than 3 years, and having been president of the Recreation Commission in my home city of Long Beach, Calif., for about 15 years, I am at least as aware of the tragic liability of slums and the result of slum residence as are most of the Members of this House. Every place of residence in America where children are born and reared should be an asset instead of a liability. Only as our American homes are decent and have decent surroundings will the product from those homes be decent. Conditions beget attitudes and attitudes beget success or failure and children who are raised in slums cannot fairly or strongly be condemned for becoming problem children.

I have visited many slum areas, I have observed them, and one of the liabilities surrounding such areas is the lack of adequate playgrounds. I saw the shocking contrast between slum areas in New York and those slum areas which had been destroyed and in their places decent housing conditions made available to millions of fellow Americans. I saw the children happily at play in the decent housing projects provided by the city and State of New York. And, in the reverse, I saw some of the "hellholes" and back alleys in which children were expected to grow up as decent, law-abiding citizens. I wonder that millions of American children grow into youth and manhood and become as decent citizens as they do. So, Mr. Chairman, I hope that, as these Federal moneys go to aid municipalities and governmental agencies in providing decent homes for millions of children, the municipalities take advantage of the moneys to provide adequate play areas and recreation facilities for the children and youth and adults, too. Play is not only natural to a child—it is an absolute necessity to a child's mental, spiritual, and physical development. As the child plays, so he grows into manhood or womanhood. A family which has no chance to play together will seldom live together happily or with decent objectives or strong motives. A family which has no opportunity to recreate, in the highest sense of the word, will not contribute much of anything to the sinews of our American way of life. These are truths I believe to be self-evident.

Another term for a slum area is a blighted area. And title 1 of this bill merely makes it possible for there to be two types of assistance as set forth by the committee report on pages 36 and 37:

> 1. Loans * * * at an interest rate designed to return to the Government the cost to it of the funds it obtains to make the loans;
>
> 2. Capital-grant subsidy * * * to enable the land in the project areas to be made available for use at prices consistent with proper and sound land use and planning;

Mr. Chairman, I am willing to go forward all together or not at all to permanent economic security and social decency. The cities and the agriculture areas are interdependent for they are economically dependent on each other. We in California are having approximately 40,000 people a month enter our State borders from other States. We have cause to comprehend that folks who come from other slum areas in other American cities will, likewise, be compelled to live in slum areas in California. We already have too many slums in California. We are doing something about it; not enough, however.

It is certainly not socialism for the taxpayers of the United States to subsidize the cotton crop or the peanut crop so the agricultural portion of our Nation which grows these essential crops will have economic stability. Certainly none of my colleagues from States concerned with agricultural crops would hold that Government aid for these growing crops is socialistic. And it is certainly not less important that we subsidize living conditions for one-third of the population of our Nation who are not able to presently earn enough to live under conditions which will be assets instead of liabilities to our Nation. Agriculture must be stabilized; living conditions must be stabilized. As one is essential, so is the other. Both are necessities. Neither is socialism. Both are common sense, both are sound. It would be tragic lack of Americanism to further condemn millions of children to continue to grow up into American manhood and womanhood in surroundings which virtually condemn these millions to have attitudes toward America which are liabilities instead of attitudes of sound Americanism. The American way of life; the private enterprise system; these are not strengthened in the minds of the millions of Americans who are presently living in slum areas. As they are blighted areas, so the minds and the bodies and the souls of these millions of Americans are blighted by the conditions under which they are presently compelled to live.

Mr. GAMBLE. Mr. Chairman, I yield 13 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I believe it was William Howard Taft who once said: "Never argue against prejudice." I wish, however, to reply for 1 minute to the gentleman from Texas who cries out against the people who are against this bill. And he is the chairman of the Small Business Committee. I should like to point out that probably from 85 to 90 percent of the millions of men who make up small business in this country are opposed to this legislation.

Within a few days figures from the Treasury Department are expected to show Federal revenues for the close of this fiscal year will be short by $1,500,000,000 of covering expenditures. If you vote for this Federal housing bill, you are unlocking the flood gates of additional governmental expense and deficit financing that will further threaten the financial solvency of the Nation.

If this country is saved from such a disastrous result, I am convinced that it must be done by the Members of the House of Representatives who are the closest to the people, as was provided in the Constitution to meet just such an emergency as confronts the Congress and the people today. If the Members of the House of Representatives faces up to its responsibility and defeats this bill it will justify the faith of the founding fathers of this Government, and will receive the plaudits of the thinking people of America. This is the most important legislation that will likely face this session of Congress. We stand at the crossroads which leads to the continuance of free enterprise, or statism for the future. You must decide today which road we shall take.

Mr. Chairman, it is extremely unfortunate to the Nation that this bill is even being considered by the Congress. If this bill is passed it will add a financial burden, even in its reduced form, of probably over $10,000,000,000 to the debt load of this Government. This at a time when we are in a recession which has largely been brought about because of our immense public debt, and because the President has continued to insist that we increase taxes to meet a $42,000,000,000 cost of Government budget.

When you send the news out to the Nation from us who are supposed to intelligently help to direct the affairs of Government, that this Congress in this one bill has increased the debt load for the future by this enormous amount, you will increase the fear of those who are capable of investing their money in the building of homes throughout the Nation. It will have a tendency to further destroy the confidence of the thinking people of America in the Congress of the United States and this administration to the point where it will contract private investment and reduce the amount of risk capital that otherwise would go into business expansion.

There are over 4,000,000 unemployed now. The result of this legislation and the fear it will bring to the investors of capital I have referred to, will most likely help to add greatly to the unemployment rolls, to the great hardship of the laboring people of America, because no building under this legislation is contemplated in the near future.

It will cause private investors to refuse to build apartment buildings and homes because of the deadly menace facing them of the Government going into the housing business in competition with private industry.

Mr. Chairman, over a year ago 20 homes were builded in my country to sell at a little over $8,000 by the Marion County Housing Authority under the national housing program. When those buildings were ready for occupancy, and the chamber of commerce who backed the authority, widely advertised the opening of these homes for sale, they were not able to sell a single one of these units within the 3 months they were widely advertised before I left Salem to come here for the opening of the Eighty-first Congress.

Now I want to read into the RECORD a letter from one of the businessmen who was induced to become a member of that housing authority in my county along with other businessmen in the hope of helping to provide homes for the people under such authority. I think you will be interested in what this businessman has to say, which is the same story, in fact, that was told to me by others who helped without any hope of any financial gain to provide this housing:

CENTRALIA, ILL., *May 27, 1949.*

Hon. CHARLES W. VURSELL,
Congress of the United States,
Washington, D. C.

DEAR SIR: I have just been reminded that the national housing program bill is up before the House and Senate for action. You may know that I am on the board of the Marion County Housing Authority under the State set-up. I intended to resign at the end of my term last year, but upon insistence of some of the other board members stayed on. I finally decided to stay on if for no other reason than I have no irons to heat and would stay on to see that the best possible efficiency could be maintained in the interest of the public funds.

Actually, I have decided that no Government agency can compete with private enterprise in a deal of this kind, whether it be power production, housing, or otherwise. It just is not in the cards. We have had bungling on the part of the State board and the red tape has cost us endless expense that would not have been necessary under the private system.

For example: They first gave us the go sign but we could not even buy a tract of ground without their approval, the house plans had to be approved by the State, the architect had to be approved by the State, the bookkeeping system had to be approved by the Stat payments to the contractor had to be approved by the State even after they had approved the contract setting forth the system of payment, on and on to the point where I told them to just write the clerks from Chicago if they were going to run it. This is the type of thing that Government agencies create and it would be no better in the Federal Government.

The more of bureaucracy I see, the more necessary I feel it is to maintain private enterprise. I hope you will continue to oppose unnecessary appropriations and to help trim Government expense wherever possible. Private enterprise made this country great and the "isms ruined every country which they have invaded."

Sincerely,

DWIGHT FRIEDRICH.

Mr. Chairman, the great majority of the mail most of the Congressmen get, if it is like my mail, continues to ask you to reduce spending and to reduce the cost of Government. The gentleman from Kentucky and others will say that there is a great cry on the part of the people to enact this legislation. May I say to you that I represent 350,000 people from the Twenty-fourth District in Illinois, and that I have not to date received a single letter or telegram of any kind urging me to support this bill. Every letter or telegram I have received with reference to this legislation has urged me to vote against it, and has urged me to exert my efforts to help to cut the expense of Government because of the present tremendous tax load.

The National Housing Authority and bureaucratic organizations of Government, and the great Government propaganda machine paid for at the expense of the people, are the real lobbyists in support of this bill, along with the left-wingers, the politicians, and, of course, the Socialist and Communist Parties.

Let me point out that in this housing proposal we have finally caught up, even though 10 years late, with the Communist Party in its fight for public housing at the expense of the people. They had such a plank in their platform in 1928, and in 1948 they asked for the Government building of 1,000,000 low-rental housing units. This administration topped them in H. R. 4009 by calling for 1,050,000 units.

I am opposed to this legislation because it is political housing. Were it not for the political aspects of this housing bill, it would not be before this Congress. Were it not tied up with the political possibilities and the political influence, such legislation may have on the masses, who are promised rentals at half price at the expense of the public, this bill would not get a hundred votes in this House.

I oppose it because it is, in fact, using the power of the Federal Government to destroy the great building industry of private enterprise. When the Government destroys a private enterprise, then the Government takes over its functions and that is socialism. This will mean that the Government will socialize the building of homes as it did in France.

I am opposed to this bill because it will take money, through excise taxes and otherwise, from the really poor, like those living on small annuities and old age assistance, who will not be permitted as occupants in these low-rental buildings.

I am opposed to this legislation because out of the 3,000,000 families a special group of 1,050,000 families would get the benefit of these low rentals, while 2,200,000 families in this same category would have to pay additional taxes for the favored few.

If this bill is passed, it would be only justice to the 5,000,000 families in the other low-income groups to extend this legislation next year to provide them with equal rental opportunities, and that would cost far beyond $100,000,000,000.

If we pass this legislation, there will most likely be a bill presented to the Congress next year by these same planners to take care of this group.

I am opposed to this legislation because it will rob the men and women of their cherished ambition to work and save to build and own their own homes. This legislation strikes another destructive blow at the moral fiber of the American people.

I am against it because it will mean less homes at greater cost, rather than more homes.

Mr. Chairman, this housing bill in section 2, in its declaration of policy, in its first paragraph, holds out a false and impossible promise to the American people when it promises: "the realization, as soon as feasible, of the goal of a decent home and a suitable living environment for every American family." What a false, dangerous and deceptive hope to hold out to the people.

Everyone knows that the attainment of that goal, physically and financially, is impossible. It is a utopian, deceptive, political statement. It has never been the policies of the founders of our Government to make such a guaranty to our people. Such guaranties could not be kept, if made, and every sensible person knows it.

The American people who are worth their salt, and most of them are and will remain so, unless their moral fabric is further destroyed by the Federal Government promising them everything; still have enough pride that they want to build their own homes like the pioneers who builded their early homes and at times log cabins along the rivers in the early days of this country. And who by their own efforts conquered the plains and builded the greatest Nation in the history of the world. If their pride and character had been weakened by such legislation as this, they would not have succeeded.

If you take away this incentive, as this bill attempts to do, you will strike a terrific blow at the greatest heritage and wealth this Nation has today—that is the ambition, character, independence, morals, and pride of the American people.

In every State, including California, that has had a vote on low-rent Federal housing, the people have defeated it overwhelmingly. If this bill is defeated, private building will soon close the gap between supply and demand. If this bill is passed, it will slow down the building of homes and apartment units by private interests in the future.

There is no demand worthy of consideration by the people for building rental homes by the Government. Polls taken widely throughout the Nation in various newspapers on the subject of low rental housing built by the Federal Government have run on an average of about five to one against this proposition.

If this Congress passes this legislation, it will lower the confidence of the people of the Nation in the Members of this body.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, with respect to the remarks of the gentleman from Illinois [Mr. VURSELL], who has just completed his statement, let me point out that I, too, am from the State of Illinois. The gentleman represents a dis-

trict, primarily rural, in the southern portion of the State, while I represent a district in the heart of the city of Chicago.

The gentleman has consistently stated throughout his statement that thinking people are opposed to the public housing bill, H. R. 4009, and that its passage would be acceptance of statism or socialism. I hold here in my hand a document which is entitled "Manifesto on Housing." It has been issued by the Church Federation of Greater Chicago, consisting of more than 1,200 Protestant churches, and will be read in churches throughout the city of Chicago next Sunday, June 26. Other denominations have joined with the Protestant churches and will also join in the appeal for adequate housing. The statement of this federation is as follows:

MANIFESTO ON HOUSING

(To be read in churches on Housing Now Sunday, June 26, 1949)

This manifesto has been developed by a special Housing Now Committee of the Church Federation of Greater Chicago, and has been approved by a group of prominent Chicago ministers. All citizens, regardless of creed, race, or nationality, are urged to join in subscribing to this statement and to respond to its appeal.

The housing shortage is one of the critical problems that Chicago now faces!

There are one hundred thousand more families in the city of Chicago than there are dwelling units; and another 150,000 dwelling units are unfit for decent human habitation. The present rate of construction, including all city plans for private and public building is not replacing the housing annually being destroyed by fire, demolition for highways, and depreciation.

This is an economic crisis which has ominous implications for the future. But of far greater importance is the moral and spiritual crisis to which lack of adequate housing is contributing in tens of thousands of Chicago families. It is safe to say that in each of our churches there are families without adequate housing: broken homes, unfair treatment of the aged and children, and the decay of Christian homes is evident in each parish.

The churches, and all who call themselves Christians cannot escape a special responsibility for this civic problem. The Amsterdam Assembly of the World Council of Churches stated that the churches, in humility and the spirit of repentance for their own sins, have an obligation to "* * * declare directly what they see to be the will of God for the public decisions of the hour and also to point to the main objectives toward which a particular society should move."

We urge the Christian people of Chicago and all other citizens regardless of denomination, creed, or political affiliation to repent of apathy and indifference toward this problem; and to pledge themselves to place the public welfare and basic religious values above every selfish consideration. Let there be a great upsurge of public support for an adequate and balanced housing program which will meet the need of all income groups, without regard to race, creed, or national origin. The need is urgent and action should be taken now.

We urge the governor, the mayor, the city council, and other public officials, and private business interests to give aggressive leadership immediately in the formulation and execution of an adequate housing program such as has been passed by the United States Senate and is now before the House of Representatives, and thus insure the future economic, moral, and spiritual security of our great metropolitan community.

George A. Fowler, Chairman, President, Church Federation of Greater Chicago; John W. Harms, Executive Vice President, Church Federation; Mitchell T. Ancher, United Church of Hyde Park; Bert H. Boerner, University of Chicago Settlement; Armond Guerrero, Mayfair Methodist Church; J. H. Jackson, Olivet Baptist Church; Harold Lunger, Austin Boulevard Christian Church; William L. Rest, Immanuel Evangelical and Reformed Church; F. Adrian Robson, Chicago Congregational Union; Dudley S. Stark, St. Chrysostoms Protestant Episcopal Church; Theodore V. L. Harvey, Englewood Baptist Church; Robert Stanger, Bethany Evangelical and Reformed Church; Elmer L. Shirrell, Chairman, Department of Citizenship, The Church Federation; Rolland W. Schloerb, Hyde Park Baptist Church; Alva Tompkins, Olivet Presbyterian Church; Philip G. Van Zandt, Logan Square Baptist Church.

Are the leaders of 1,200 Protestant churches Socialists? Can the gentleman state they are not thinking people? How utterly absurd is the gentleman's argument.

It was charged yesterday by the minority leader, the gentleman from Massachusetts [Mr. MARTIN], and the gentleman from Illinois [Mr. ALLEN] that all of private enterprise is opposed to this legislation. This is certainly not true in my community, and I doubt that it is true in many other areas. Two years ago the city of Chicago overwhelmingly approved a $30,000,000 public-housing and slum-clearance program, and such groups as the Chicago Association of Commerce and Industry, many leading real-estate firms and contractors not only supported the program but actively pressed for its approval. The program which the city endorsed is basically similar to H. R. 4009. And yet, although the city has made a start, it cannot make further progress because of the limitations of its own resources and the inability of its citizens to obtain amendments to the State constitution which would permit adequate financing of a housing program, as was done in the city of New York.

Yes; Chicago has made a start, but only a start. For those who doubt the necessity of this bill, let me point out certain facts relating to public housing in Chicago.

First. Public housing in Chicago has built 7,680 permanent type dwelling units in 10 large community housing developments.

Second. Chicago's public housing developments have provided homes for the lowest income families. More than 12,000 low-income families, including veterans and low-income war workers have lived at one time or another in these projects. At the time they moved in these families had the lowest incomes of any group of families in large northern cities where wage rates and economic conditions are generally higher than in rural areas. In 1940–42 the income of families moving in averaged only $850 a year, about $17 a week;

Today, incomes of families moving in average $1,600 a year or about $35 a week when half of Chicago's families earn more than $75 a week, and one-fifth earn less than $40 a week.

No family has been too poor to get in. Those earning as little as $400 or $500 a year are accepted as tenants. Half of those now moving in are recipients of public welfare, aid to dependent children or are receiving GI allotments. 20 percent of all tenants are in this group.

Third. Chicago's public housing program is indispensable to slum clearance. Existing federally aided projects have cleared and replaced some 120 acres of slums. All families moving in must come from slum homes, and there would be 7,680 more families living in Chicago's slums today if the present projects did not exist.

All of the leading business and citizens' groups of Chicago interested in slum clearance have recognized that public housing must first be built to rehouse those who will be displaced by slum clearance.

Fourth. Chicago's public-housing developments have been built at economical costs. The Ida B. Wells Homes, a 1,662-unit combination multi-story-row house development, comprising 125 buildings on 47 acres of land, completed in 1941 cost only $5,069 per unit or $1,187 per room including land, all fees, and overhead expenses. Today, when building costs have soared, the Chicago Housing Authority is currently building multistory elevator type apartment projects at $2,200 per room.

Fifth. More than 10 years' operation of the program in Chicago has produced low rents to tenants and very little cost to the Federal Government or taxpayers. Rents are graded to tenants' incomes enabling lowest income families to pay only $15 a month while those able to afford more pay higher rates. Average rental return plus low operating costs and low financing costs on funds borrowed to pay the initial cost of building the projects has resulted in practically no cost to Federal Government. For example, on federally aided projects under its contracts the Chicago Housing Authority may obtain up to about $180 to $210 a year per family in Federal subsidies. However, actual Federal subsidies required have amounted to only about $5 per family per year.

Funds obtained to pay initial cost of building projects are being repaid. Most of the projects have been built with funds borrowed from private sources and these borrowings are being repaid at an unexpected rate—the Ida B. Wells Homes originally required a borrowing of nearly nine millions has had $913,000 or more than 10 percent retired in 8 years' operation. On three projects financed with PWA grants of $15,500,000, $1,700,500, more than 10 percent has been returned to the Federal Government in form of rent payments in 10 years' operation.

While real-estate taxes are waived to assist in obtaining low rents, more than $1,000,000 has been paid to local taxing bodies in service charge payments distributed in the same manner as taxes, and in all cases payments are exceeding former taxes assessed on same properties

before they were public housing. Hence no revenue has been lost to taxing bodies through this method.

Sixth. Chicago's public housing program is showing benefits in building better, more prosperous citizens, developing new home owners, and reducing costs of fire, disease, and delinquency to the general community. Lifting families out of the slums has resulted in higher morale, more industry, and ambition and higher earning power by many of the families, resulting in a number of tenants who, though poor when they moved in, increase their incomes to the point where they are no longer eligible for public housing. Normally, these families have been evicted from the projects. Since the start of the program, more than 1,200 over-income families have moved from the Chicago projects. Of these, more than 300 have purchased their own homes.

Fire rate has been reduced drastically and of those few which do occur damage is slight—no permanent type dwelling has been destroyed by fire—one-third the number of fire calls per year per public housing compared with sites before cleared. Death rate from tuberculosis among Negro tenants of public housing has been reduced to less than one-half for Negroes living in Chicago's slums. Unexcused absences from school among children from public housing is less than from surrounding slum areas. Other cities report similar types of benefits in lower disease, death, delinquency, garbage collection costs of public housing as compared with slums.

Seventh. H. R. 4009 is vitally necessary if Chicago is going to make real headway in its housing and redevelopment problems. The increase in city's population, together with marriage and birth rates which continue at high level, in addition to families already doubled up, constitute a need for at least 200,000 additional dwellings to the city's present housing supply. This need is greatest among the middle- and lowest-income groups, less among those able to afford high purchase prices or rents. Of the thousands of veterans seeking homes and apartments as well as thousands facing displacement by slum clearance, most can afford to pay between $40 and $60 a month, about one-fourth less than $40 (the public-housing market), and very few over $60 or $80.

Private construction has added an average of only about 6,000 dwellings a year to the city's housing supply in the last 3 years. More than 80 percent of these have been single-family homes for sale at prices of $12,000 or more, practically all of the few rental units cost more than $80 a month.

In addition, present public and private slum clearance, superhighway, medical, and other redevelopment projects will displace an estimated 22,000 additional families. Relocation housing now under way with city and State funds will provide but from 2,000 to perhaps 2,200 units for low-income portions of those displaced.

The Chicago Housing Authority already has a backlog of some 25,000 or more applications on hand; many represent families who have been waiting 4 or 5 years or longer, and is receiving additional requests for help in obtaining housing at the rate of 3,000 to 4,000 per month. Temporary dwellings for veterans' families are nearing the end of their life. Trailers are in such uninhabitable shape that they will have to be taken out of use within the year. This means a shrinkage in the supply of housing by one or two thousand units within the next year or two.

There has been so much fear expressed upon this floor about what the public-housing bill would do to our country that I am reminded of the remark that was made by Mr. Justice McReynolds approximately 15 years ago when he stated in a decision of the Supreme Court, "The Constitution is dead." Mr. Justice McReynolds was entirely wrong. The Constitution since that statement, has proven itself to be a dynamic, living instrument, flexible enough to assure the operation of this Government as an instrument by the people and for the people. The public-housing bill, perhaps more than any other piece of legislation, will rescue millions of our citizens who are now doomed to despair in the slums of this Nation, from continuing to exist as they have lived in the past. It offers an opportunity for them to live decently and gives hope that their Government does in fact recognize their plight.

I understand that an amendment will be offered which will reduce the amount of housing from 1,050,000 units to be constructed over a period of 7 years, to 810,000 units to be constructed over a period of 6 years. I would have preferred the provision as it now exists rather than the amendment, but in view of the fact that the assertion has been made that the Senate is committed to the lower number and under no circumstances will recede, I shall support the compromise in order that we may be assured of passage of this bill.

I certainly urge passage of H. R. 4009 by a large majority.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. TAURIELLO].

Mr. TAURIELLO. Mr. Chairman, today, when H. R. 4009 comes before the House for consideration and debate, I intend to carry out my pledge made during the campaign in the fall of 1948 when I sought election to Congress, that I would support legislation for slum clearance and low-cost housing.

All during that campaign, I made my position very clear and since I assumed my duties as Congressman from the Forty-third District of New York, I have on several occasions reiterated that pledge.

When members of the real-estate lobby called at my office a few weeks ago, I minced no words and told them very frankly that I was going to support H. R. 4009 because there is a dire need for public housing and slum clearance and that the citizens in the low-income brackets of the richest country in the world were entitled to decent homes in which to live.

It is my opinion that private industry has failed to provide homes within the reach of famililes in the low-income group and, when private capital fails, then I maintain it is the duty of our American Government to see to it that our citizens are adequately housed.

The real-estate lobby has raised the cry that the cost will be tremendous and too heavy for the taxpayer to bear and that this legislation is "socialistic." The real-estate lobbyists have distorted the figures to serve their own purposes and needs in an attempt to defeat this legislation and to stir up the people against it.

Now, let us see what the real cost per unit is going to be. The real-estate lobbyists, for their convenience, have purposely distorted these figures by taking the maximum figure of $2,500, multiplied it by five rooms and added $2,500 for land and utilities in order to arrive at their claim that all units built will cost over $15,000. Even at the high cost of construction today, and costs are dropping, very few housing projects, if any, even in the highest-cost areas, will require an expenditure of this amount per unit. This figure over most of the Nation is utterly absurd.

Early this year a group of representative builders who built housing projects under the 1937 act were asked to submit figures as to what the current cost of duplicating these projects would be. Their replies ranged from less than $1,250 per room to $2,250 per room, and two-thirds of this group were below $1,750 per room.

The true facts are that the amended H. R. 4009 calls for the construction of 810,000 dwelling units at an average cost of $8,465. The language of the bill is plain and requires the utmost economy and simplicity in the standards of construction and consistent with providing durable and decent homes.

The construction costs will naturally vary in the different parts of the country and the bill provides for a normal ceiling of $1,750 per room. This amount will be sufficient to meet the costs in most parts of the country but in order to meet the high costs in some parts of the country the bill provides maximum cost per room of up to $2,500.

In his message to the National Housing Conference, Senator TOBEY, of New Hampshire, a Republican, had this to say regarding cost:

> Since this bill has been under study and discussion, going back 4 years ago, I have heard a lot about costs. We have been told that this bill may cost from $13,000,000,000 to $16,000,000,000 over a period of 40 years. That is nearly as much in 40 years as we are contemplating spending on military needs in 1 year today. The latter we must spend to protect our freedom to have homes and to enjoy them. The former is designed to provide homes that we can enjoy and that are worth such a defense.
>
> As you move ahead with this program, you must think about these costs, but you must think also about your mission of eliminating the slums that drain off the revenues of the citizens and that create untold losses in human resources. I have heard of the high costs and rates of crime and disease that mark the slum areas of our cities from coast to coast.
>
> I have heard that the slums are costing the city of Newark $14,000,000 annually. I have heard that in Atlanta, Ga., slum areas contributed 5½ percent of that city's property but cost 54 percent of its police, fire, health, and other service costs. I have heard that

in Cleveland the per capita deficit of a slum area was $51.10—at prewar prices. I have heard that in St. Louis tax delinquents ranged from 25 to 40 percent in slum areas, compared to 2 to 5 percent in newer districts.

I have heard that in Chicago a slum area of less than 3 square miles, chiefly because of bad housing, accounted for 21 percent of Chicago's murders, 12.3 percent of its robberies, 24.9 percent of its rape offenses in the years 1943, 1944, and 1945.

With regard to the real-estate lobby's contention that this is socialism and statism, this type of propaganda is completely false and far removed from the truth.

Let us see just how socialistic public housing really is. Are any of these—Federal aid to agriculture, the construction of highways, reclamation and flood control, the construction of power dams to supply various sections of the country with cheap power, rural electrification, Federal insurance of small bank depositors, social security and old-age assistance, and many other numerous types of Federal aid—are these socialistic?

If the real estate lobbyists and others do not consider the above-mentioned types of Federal aid socialistic, how can they consider H. R. 4009 to provide for slum clearance and low-cost housing to be socialistic? They certainly are not consistent and will not fool the people with misleading propaganda.

On the Senate side, the Republican leader ROBERT A. TAFT, last year one of candidates for President, is one of the chief sponsors of S. 1070 which calls for a similar program provided for in the House bill. Is Senator TAFT a Socialist? In my opinion, he is one of the most reactionary men in the Congress and certainly he would not want to be tinged with socialism in any form. Are the 24 Republican Members of the United States Senate who voted for the Senate bill Socialists?

Last year, the Republican platform contained a plank calling for slum clearance and low-cost housing and Mr. Dewey advocated such a law. I am sure he cannot be accused of being socialistic.

Under H. R. 4009, the Federal Government would not be given the power to dictate to any State or local municipality. The decision with regard to whether or not any community desires to participate in the public housing program rests solely with that community. Surely this shows without any doubt that the Federal Government is not trying to interfere in or control local housing problems or to force anything on local municipalities.

Participation by communities in either the slum-clearance program or the low-rent public-housing program would be entirely at the option and initiative of local governments. Projects would be locally planned and locally executed. The role of the Federal Government would be restricted to the provision of financial assistance, the furnishing of technical aid and advice, and the administration of statutory requirements to assure that the intent and standards of the law are faithfully observed.

Neither is there anything in the bill that would threaten or undermine the position of private enterprise in housing. On the contrary, there is much that would strengthen it. The declaration of national housing policy stipulates that private-housing enterprise shall be encouraged to serve as large a part of the total need as it can and that governmental assistance should be utilized to the extent feasible to enable private enterprise to serve more of the total need. The slum-clearance title requires that the plans for redevelopment of slums or blighted areas afford maximum opportunity for participation by private enterprise. The public-housing title requires a gap of at least 20 percent between the upper-rental income limits for admission to public housing and the lowest rents at which private housing is providing an adequate supply of decent housing, new or old, for rent or sale in the locality involved, thus assuring no competition between public housing and private enterprise. Under the farm-housing title, loans would be made only to those farmers who are unable to secure credit from other sources at terms within their paying ability. Finally, a primary objective of the Federal research program is to place the private-housing industry in much stronger position to serve a much broader market than today through improved methods and organization.

The powerful real-estate lobby did not oppose the Congress in appropriating billions of dollars to aid and rehabilitate war-stricken countries and a good percentage of this money will be used to build homes for these European people. This lobby was conspicuous by its absence and, as a matter of fact, they favored the appropriation of these moneys to be used for this purpose. They made no complaints about the tremendous cost to our taxpayers. Is it socialistic to spend the United States taxpayers' money to build homes for people in these European countries? Where does socialism begin and end?

It is my contention that if we can appropriate moneys to maintain and build homes for people in foreign lands then I feel that we can spend money to build homes for our American citizens to whom we owe an obligation. I feel that we must think in terms of taking care of our people first and I am going to vote for H. R. 4009 notwithstanding the terrific pressure the local Buffalo real-estate lobby is trying to bring to bear on me. I am more determined to support it now because of the false propaganda this lobby has been using and because of their use of misleading figures in their arguments to the general public.

I am also going to support legislation to give our people adequate old-age pensions, to extend social-security benefits so as to cover a greater number of people, small-business men, the grocer, the butcher, the small-store operator, and others. It is my firm opinion that all this legislation is for the good of the economy of this country and the general welfare of the people. Private capital has failed to supply adequate housing to meet the needs of the country and therefore I feel that the Government should step in and fill that need.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I want to take this opportunity of recording my unqualified support of H. R. 4009, a bill which would help meet the need for low-rent housing in this country.

That such a need exists there is no question. For over 4 years now the Congress of the United States has been studying and investigating the facts of the housing shortage in the country. The facts are plain.

The delay in enacting this legislation has been paid for in the unhappiness and misery of the people living in the slums of this country, by the disillusionment of homeless veterans. With the substantial growth in population since 1940 the inadequacies in housing become more glaring.

In my district in eastern Massachusetts the need for slum clearance and low-rent housing has become aggravated with increasing unemployment.

Since I have been in Congress I have supported the passage of adequate housing legislation. I hope and I am confident that this House will enact into law this bill before us.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, the arguments against this bill fall into 4 groups:

First. It is not needed. The housing shortage is disappearing, or, less strongly put, it can be met by private business and rehabilitation of deteriorated housing.

Second. It will permit undue interference by the Federal Government in local affairs.

Third. It will cost more than the Federal Government can afford and will also be an unreasonable expense to local governments.

Fourth. It will provide housing for only a small percentage of the people who need decent housing and therefore is unfair. Moreover, it will injure the morale of the few who can find a place in the public housing projects and is "socialistic" and/or "communistic."

Facts prove each of these four types of arguments against the bill to be fallacious.

First. There is still a definite shortage of decent sanitary, low-rent housing. The market for houses in the $10,000 and over class is drying up. But in lower-cost housing there is still overcrowding, still doubling up, still occupancy of dwellings quite unfit for habitation.

A bureau of the Census survey in April 1947 showed some 6,100,000 nonfarm homes which do not meet the generally accepted minimum standards of adequate housing and 1,400,000 farm houses in need of major repairs besides many others which lacked even running water.

The same survey found overcrowding (more than 1.5 persons per room) in 6.17 percent of all dwellings, 9.9 percent of rural nonfarm dwellings, 7.8 percent of farm dwellings and 4.4 percent of urban dwellings.

Figures for new buildings clearly indicate the situation has not been met. In my own small State of Connecticut, one of the richer States, there are still

37,000 families in slum houses, an estimated 22,000 families doubled up with relations or friends. Last year there was a net gain of 10,000 new families. The Dodge report showed 7,084 homes started by private builders and since December, 1948, home building has dropped off steadily. Thus the new building did not even care for the new families let alone care for the backlog of need.

In New York City on Monday the papers reported 32,000 persons making application for 2,140 units in two new projects of the New York City Housing Authority to be open in September.

New building has not met the needs of low-income families for decent housing.

Rehabilitation of deteriorated dwellings and enforcement of the municipal sanitary codes has been seized upon by opponents of public housing as the answer. One wonders why this program has not been undertaken more widely and why it was not undertaken long ago. The Baltimore plan is without question a real achievement, but the mayor of that city himself points out that it is a palliative and not a solution, and that while the houses have been improved, rents have gone up.

The public health authorities over the country have been interested in this plan for enforcing sanitary codes and compelling repairs but as Dr. Scheele, Surgeon General of the United States Public Health Service, says, "Although a considerable amount of substandard housing may be improved by alterations there remain large sectors of housing so bad that it cannot be made healthful without wasteful and in the end ineffective expenditure for renovation."

The Baltimore Sun which largely initiated and vigorously backed the plan, in an editorial April 22, 1948, clearly stated:

> The beautiful picture presented by the home builders should be toned down a bit * * * it is neither providing much-needed minimum housing nor gradually ridding the city of its blighted areas. * * * The slum clean-up campaign has brought about the replacement of windowpanes and plaster in some areas, improvement of sanitary conditions to some extent and compelled landlords and tenants alike to clean out rat-infested cellars and back yards. But the overcrowded substandard buildings remain exactly that. * * * There was more juvenile delinquency in Baltimore last year than in the previous year. * * * The number of new cases of tuberculosis, another byproduct of slum conditions, also increased last year. * * * Housing law enforcement is not slum clearance and nothing will make it so.

Yesterday the gentleman from Massachusetts [Mr. MARTIN] pointed to what has been accomplished in Georgetown in the Nation's Capital. I grant you it has been a remarkable job of slum rehabilitation and also of slum family displacement but not of slum family rehousing. I have redone two Georgetown houses. Some of you Members know Georgetown sale prices and rents. They hardly seem to fit into a discussion of low-rent housing.

Second. The bill requires basic action by the local community before the Federal Government can take a single step. The local government, through its local housing authority must request Federal assistance, make its own plan for slum clearance and public housing, choose its own architect, send out invitations to private contractors to bid, select its own tenants and manage its own project. The Federal Government gives technical and financial assistance.

Private builders cannot afford to clear slums. The land is too expensive in comparison with open tracts which are available. But after the local authority has cleared the slum it must according to the bill afford maximum opportunity for private enterprise and may sell or lease the cleared area or undertake to erect public housing. The work is done by private contractors.

The entire proposed public housing program will care for less than 10 percent of the needed dwellings over the next decade. It will compete with slum housing. Its purpose is to get rid of slum housing. Since 19.7 percent of American families have incomes of less than $2,000 and 30.3 percent less than $2,500 the average rent including utilities must be under $30. The average rent for substandard housing is $28.50 per month. But with the requirement that there must be a gap of 20 percent between the upper rental limit for admission to public housing and the lowest rent at which private owners are providing an adequate supply of housing, new or old, for sale or rent in the locality, only families who could not pay even the lowest private rents will be allowed to live in the public housing projects. Thus there is no competition with decent private housing. There is an adequate supply of building materials and of labor.

The Federal Government will not interfere with the State or locality nor compete with private builders or landlords. After all, why such expression of anxiety? We have had public housing for over 10 years. There are 42 States and some 600 local communities with provision for accepting Federal aid and the mayors' conference and individual mayors are backing this bill. Projects under the 1937 act are in operation in 265 cities in 39 States with 170,100 units costing $797,000,000. These are not only big cities which some say they fear will get all the forthcoming public housing. More than 70 percent are under 50,000 population and 100 of the cities are under 25,000. The Housing Administration states categorically that the same policy of considering applications from all States and from small as well as large cities will not be changed in any way.

Third. As to the cost, the oft-quoted figure of $19,000,000,000 to $20,000,00,000 was arrived at by adding loans—actually repayable—maximum grants, and maximum annual contributions and multiplying by 40 years, the maximum period for amortizing a project. The Bureau of the Budget figures the cost at $10,000,000,000, possibly $9,000,000,000. Under current financing the life of the loan will more likely be 29 or 33 years and not 40 years. Moreover, under the present program authorized by the United States Housing Act of 1937, the actual contributions paid by the Federal Government have amounted to only 58.5 percent of the amounts authorized.

In 1948 the New York City Housing Authority legally could have collected a maximum of over $3,255,000 in subsidies from the Federal, State, and city governments. Actually it claimed only 41 percent of that amount.

Nor are construction costs of public housing high. The average cost for 1938–48 was $4,685 per unit which compared very well with private building especially since most of the public housing projects were in cleared slum sites, had their own utility distribution systems and were of fireproof construction.

In the current bill the cost of $2,500 per room so often quoted as the proposed cost is the top limit for notably high cost localities and not the cost which will be incurred in most projects. The Joint Committee on Housing found the operating cost in public housing projects compared favorably with the best results of private enterprise.

As to the tax loss to local communities, it is interesting to note that it is opponents of public housing and not the Mayors who make the complaint. The payments in lieu of taxes were not and should not be the equivalent of full local taxes on the improved site and buildings. The community should make a contribution to the subsidy needed to achieve the low rents. The local communities have nearly always elected to pay their 20 percent of the Federal contribution in the form of tax exemption.

It might be mentioned that the Metropolitan Life Insurance Co. was granted the right for 25 years of paying to New York City on its Stuyvesant Town project, not the full tax on the new buildings, but the taxes which had been assessed against the old slum properties which had been cleared away.

Slum clearance may actually save the city money. Slum housing comprises about 20 percent of the residential units and yields about 6 percent of the tax revenue. The slum areas take on the average more than half the medical and institutional care, half of the time of police, a third of the time of the fire department and most of the welfare department's time. Slums represent private enterprise at its worst and are without question subsidized by the taxpayer.

Fourth. It is argued that public housing is unjust because it will provide homes for only a small percentage of the population who need homes. Not all of us ride on airplanes, or with the merchant marine, but that is no argument against their subsidies.

Or the argument runs that public housing does not serve those who need it; that there are not enough welfare families in the projects and too many with large incomes.

As a matter of fact, in some projects welfare cases have run up to 23 percent and 24 percent of the total residents. This is too high. Public housing projects must not become a modern version of the poorhouse. About 10 percent of such families can be absorbed and helped.

At present five-sixths of the local housing authorities have a maximum limit of $2,200 family income or less. True, there are families in the projects with higher incomes. Under an act of Congress in force up to last August they could not be evicted when it would cause hardship, but they are being moved out as many of us must know from our mail.

In a project I know well, in New Haven, a family with two children may have a maximum income of $2,484 per year and pays $45 per month for four and one-half rooms. Admissions are passed on by a board made up of representatives of the Council of Social Agencies, Department of Welfare, labor, Negro, and citizen groups and the Housing Authority staff. Knowing the right people does not help if the family does not meet the requirements. Our Connecticut local housing authorities are not in politics.

Contrary to the implications of the opponents of the bill, careful provision is made for families living in slum areas to be cleared. Federal assistance is available to clear areas predominantly residential in character or where redevelopment would be primarily for residential use, but always provision must be made for temporary shelter for displaced slum dwellers and for permanent, safe, and sanitary dwellings at rents they can afford to pay. The new dwellings need not be on the old site. The locality has the right to make a comprehensive plan for its development.

It has been said on this floor that slums are made by people. It is true slum dwellers often have undesirable habits. But what else could be expected, especially of adults born and brought up in a slum environment? Slums too often make undesirable people and are costly to the community. They are costly in bad health, poor physique, and high morbidity rates.

A higher proportion of rejectees by draft boards were from the slums than from any other section of the population. Studies show the infant mortality rates 5 to 6 times as high as in the better neighborhoods. Dr. Scheele, Surgeon General of the United States, emphasizes the fact that the quality of housing bears a direct relationship to health. Overcrowding results in a high incidence of pneumonia and tuberculosis, and communicable diseases. Slums have a high rate of home accidents. There are proportionately more people killed and maimed each year in slum dwellings than in others. The incidence of mental disorders and of mental deficiency is higher. Slums with dilapidated buildings infested with rodents and insects breed disease and spread disease. A study of New Orleans showed that 49 percent of the city health budget went into the slums which contribute 5 percent of the city's tax receipts.

The ultimate effect of dirt, noise, poor sanitation, lack of fresh air, lack of sunlight, of space, of privacy, is poor health, mental and physical, and expense in medical care, hospital, and institutional care, and welfare expenditures by the city.

Juvenile delinquency is from 10 to 20 times as high in slum areas as in better residential sections. Overcrowding in the home causes tension and disagreements, sends the children to the streets for recreation. A study made in New Haven, Conn., of 649 children 7 to 17 years of age from 317 families showed 3.18 per 100 children delinquent in 1924–44, when they lived in the slums. This was reduced by ½ to 1.6 percent during the 2½ to 4½ year period 1940–44 when these families moved into a public housing project with more room and recreational and play space.

H. R. 4009 emphasizes better family living. Terms such as "suitable living conditions," "livability of housing accommodations," "dwellings adequate for family life" all recognize the part housing plays in providing conditions under which sound family life can be developed. Slum clearance and rehousing are directed toward improving family life. We are dealing with much more than mere physical rebuilding of a city.

Slum clearance and good, low-rent public housing will pay its way in direct monetary savings and in indirect improvements in the stamina and character of the citizens. If we use the figures of excess cost of slums in poor health, police and fire protection and juvenile delinquency we can get some idea of the gains of slum clearance. In Newark, N. J., it was estimated that the clearance of slums and moving the families to public housing saved $33 per year per family in municipal costs. If the program before us rehouses 850,000 families, and it will rehouse more because public-housing project tenants are not permanent, this would mean on the basis of several studies of existing projects, 3,000 fewer deaths from tuberculosis each year, 2,000 fewer deaths from pneumonia, more than 2,000 fewer infant deaths and a monetary saving of $25,500,000 per year in municipal outlay for medical care and public health, fire, police, and juvenile delinquency costs. It would mean, further, gains in worker productivity and, most important of all, gains which cannot be valued in dollars but only in terms of human well-being and happiness.

People will not lose morale and become helpless dependents of the State if they have decent, low-rent public housing as opponents of the bill have claimed they fear. Anyone who has known the valiant struggle of the mother in the slum tenement to keep the place clean, to bring up her children to be sturdy, fine citizens knows the quality there is in so many of these disadvantaged families forced to live under such poor conditions. And anyone who has seen such a mother brighten, gain her health and look years younger after she and her family have moved to a clean, well-arranged, well-equipped public-housing apartment, knows this claimed fear of statism has no place in a discussion of this bill. Surely most of you have shared the experience I have had of going about a three- or four-room apartment in a public-housing project with the new occupant and being shown the wonders of a shiny bathtub, a place for the dishes, a place, all his own, where Johnnie can keep his things, the miracle of a broom closet—all just such everyday matters in your life and mine that it makes one ashamed that they could mean so much to another fellow American.

Nor will these families just stay on the project forever as has been suggested. Again may I illustrate a general situation by specific figures from a New Haven public-housing project. Between 1941 when the project opened and 1947 when the study was made, there were 487 families in residence. Of these, 116 Negro families, 37 percent of their total, and 102 white families, 61 percent of their total, moved out. Of the 265 families who had not moved, 110 were low-income families whose wage earner was in an occupation where there was little hope of an increase in earnings, 13 were recipients of old-age assistance, and 11 of aid to dependent children.

These projects have an educational value. Families move into them from the slums, learn better ways of living, better community habits, learn to want better things, and to want their own home. From the same New Haven project I could give you stories of couples who have saved and bought a little house and with the aid of their project neighbors improved it into a really good place.

We do not need to be afraid of giving the American family a chance. We all still want better things and will work for them if we have half a chance.

The list of organizations supporting this bill for slum clearance, public housing, and betterment of farm homes reads like a roster of respectability, not of Socialists or Communists. Surely they could not all be deceived—not the veterans' organizations, American Legion, AMVETS, Catholic War Veterans, and so forth; the National Association of Parents and Teachers, the National Grange, the National Conference of Catholic Charities, the National Conference of Catholic Women, the National Council of Jewish Women, the Council for Social Action of the Congregational Christian Church of the United States of America, the World Council of Church Women, the Women's Division of the Methodist Church, the National League of Women Voters, the CIO, the A. F. of L., and so on—all organizations whose members are good, substantial citizens who have learned that the best way to help people is to give them the opportunity to help themselves, and that at times the taxpayers' money can be saved by spending some money in order to provide such an opportunity for self-help as slum clearance and public housing give to the slum dweller to better himself, his children, and his community.

Further would the Guaranty Trust Co. of New York and other great banks be asking for section 502 which gives banks the right to invest and deal in the housing bonds if they thought that such housing would undermine our political and economic structure? Certainly not; and these institutions have some of the best brains in the country working for them.

The answer is so obvious that the cry of socialism, of statism, becomes absurd. Surely we in the House of Representatives know the situation as well as do

these banks and the members of these organizations, and surely we likewise will back this bill and pave the way for slum clearance and for the rehousing of these slum families in decent low-rent public housing which private enterprise cannot afford to provide. By so doing we will be saving in municipal expenditures, saving in human lives, saving through the physical and moral betterment of the oncoming generation of citizens, and, at the same time, will give work to private contractors and provide one element in stabilization of the building industry and in the entire current economic situation.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BROWN of Georgia. Mr. Chairman, I also yield the gentleman 5 minutes.

Mr. BURDICK. Mr. Chairman, I do not find myself in full agreement with the party I represent here in Congress. Of course, this is nothing new to announce because occasionally I do not agree with the orthodox Republicans.

The bill we have before us at this time is neither socialism nor communism.

The record of my family in America dates back as far as any of them, I believe. From the year 1634 to the present moment we have taken part in the building of this great Nation.

What was confronting the people a century ago is not the condition that we are met with today. What was enough for the people of a century ago is not enough for the emergencies we meet today as we go along the pathway toward maintaining a democracy.

In this bill the Government is not going into the business of building houses. It it were I do not believe I would support it because when the Government undertakes anything in most any field it is pretty extravagant in the use of the taxpayers' money. But here it does not enter the building program at all. It simply makes funds available so that people can finance themselves. And let me tell you that the question of funds is vital, as I will demonstrate to you.

Mr. Chairman, as I said before, my people came to Massachusetts in 1634. They stayed there for about a century. But soon the interest charges caught up with them and they lost what they had. They moved across the Allegheny mountains into the beautiful valley of the Ohio. There they hewed out new homes in the wilderness and drove the Indians ahead of them and settled where a man's scalp was comparatively safe. Then the investor came along and the interest rates ran from 12 to 24 percent in due time. You can figure it out by the calendar. They were just about 50 years struggling under this interest rate.

They lost what they had. They gathered up what was left and moved over into the valleys of Indiana, Illinois, and Wisconsin, settled anew, fought Indians and hewed out a new home in the wilderness. In due time the interest caught up with them again. In about the year 1840 they lost out in Wisconsin. But suppose they did, what difference did that make? There were millions and millions of acres of vacant land in the West. When these pioneers lost out, they moved on to a new country.

My people moved on. They moved from Minnesota out into the territory of Dakota where land was free, and there was plenty of it. Those settlements were made there in about 1882.

Now, let us apply that 50-year period again, the 50-year period for which this interest has run from 12 to 24 percent. I know what I am talking about because I have seen my family pay it. At the end of that 50-year period, almost to a day, they lost out in Dakota and all their neighbors lost out. They were foreclosed upon. In the year 1933, when the depression started, those old pioneers lost out, but they had come to the end of the great Free West. There was no West left, no land left; there was no place to go, and there is no place in America where you can go like they used to 150 years ago. We have come to the end of the free land.

Then, what happened? Added to that we had 9 years of drought, the greatest drought ever known in the West. There was nothing growing out there except the trees along the Missouri River. There were sand banks in the towns and villages as high in summer as the snow was in winter. Many of them moved out, but there were a lot of us too poor to move out, and we stayed, and through the instrumentalities of this Government of ours, through low interest rates and assistance by the Federal Government, a great percentage of them stuck it out, and now for 9 years we have had great crops. That great Dust Bowl has blossomed into a garden and those who remained own their homes and they have bank accounts.

I was asked on the floor of this House years ago when we requested appropriations for this purpose, "Why don't your people move out of that no-good country?" We could not move out. We built our homes and our churches and our schools and our cities and our institutions and we stayed. Let me say to the Members of this Committee that if it had not been for that innate desire in the breast of every human being in this world to own land and to own a home, that great Dust Bowl would have been destroyed. I think there are Members on this floor today who remember what was said when this Congress appropriated money to rebuild these farms in North Dakota, South Dakota, Montana, Kansas, and Nebraska: It was socialism. Out of the $72,000,000 that they put into the reconstruction of homes in North Dakota $71,000,000 has been paid back, and they have not been charged with that interest rate that was so ruinous to all, that ruined us from the Alleghenies to the Pacific coast. This Government has seen fit to destroy that great interest octopus that works at night when the farmer is supposed to sleep.

You say to me that private enterprise could do the job. Well, the largest city we have in North Dakota has only a population of about 35,000. The slums in that city have remained there for the last 60 years to my knowledge. Private industry does not want to eradicate them but the people of the city would like to see them taken out, and under this bill you can do it. Under this bill the Government will finance on a rate of interest that they can afford to pay. Does anybody here think that you are giving away this money? Does anybody here think that you will not get most of it back?

Those who say you will put in over a billion a year have not stopped to figure how much you will recover every year in payments.

I say to you that the question of ownership of land is the one question that agitates this whole world today. The question of ownership of land is a question which agitates Europe, which foments revolution and war. If the people of those countries could own some land they would be content, but they cannot get the land. It is in the hands of those who cannot use it. England has recognized this and now is developing those great hunting fields, and those large lord estates so common to English history are being utilized by the people who can use that land.

Here in America we are all on an equality under the Constitution. We are supposed to enjoy life, liberty, and the pursuit of happiness. If you will pin that down with ownership of land, you need not be afraid of communism or any other kind of ism, but just as soon as you starve the people into wanting land that they cannot get, you had better prepare to defend yourselves against Communists. The ownership of a home which the farmer can get under this bill, the ownership of a home which the man in the street can obtain under this measure, is that which will build America.

I heard the crocodile tears here about what this is going to cost, but those who made those speeches yesterday were the same men who voted billions to Europe. Does it cost too much to build homes in America?

Under this bill, the farmer is given a chance to again own his home, through low-interest costs and is enabled to improve the one he has. All people in the United States, every family, should be given a chance to own their own home—if they want it, and when you stake down democracy with homes, this democracy will continue through the ages. Take away this opportunity to own land, and this democracy will go the way other democracies have gone in the history of the past. The dusty pages of history show many examples of democracies which once existed but perished, perished because those who husbanded the soil were denied that opportunity to own land.

This plan of home ownership will do more to preserve this Nation than all the billions we can send abroad or use up at home in military protection. Let no one say this costs too much—can it cost too much to preserve the United States of America?

Mr. BROWN of Georgia. Mr. Chairman, I yield 8 minutes to the gentleman from Michigan [Mr. O'BRIEN].

Mr. O'BRIEN of Michigan. Mr. Chairman, I am in favor of this bill and I am in favor of it in the form in which it was reported by the Committee on Banking and Currency. I am opposed to the sug-

gested amendment to cut it 20 percent, to subtract 200,000 dwelling units. I think some sentiment developed about that suggested amendment. It is based on exaggerated estimates of the annual rent subsidies to the localities under the public-housing program. I wrote to the Commissioner of the Public Housing Administration and got this reply, dated June 14, 1949:

This is in response to your request of June 7, 1949.

There are now 193,798 units in the United States Housing Act program. All but 19,914 are owned by local housing authorities. During the calendar year 1948, annual contributions paid on these projects amounted to $3,718,825.

Thus it is revealed that these exaggerated statements about the size of the annual subsidies are grossly out of line with the truth. I suggest to the Members that each one make his own personal investigation and inquiry on that subject before he votes to slash this bill by 20 percent. You can get the information from the Federal Public Housing Authority. I hope that amendment is not carried and that the full program as recommended by the Committee on Banking and Currency of 1,050,000 housing units is ratified by the vote of this House.

I voted before for legislation of essentially the same character as this. That was the United States Housing Act of 1937. There is no principle involved in this legislation; there is no machinery in regard to the Federal subsidy and the cooperation between localities and the Federal Government which was not involved in that legislation. It carried in the House by a vote of 275 to 86. It carried by an overwhelming majority of 3½ to 1. Statements were made by some Members which did not carry weight, evidently, with the majority at that time, and were of about the same character as the statements made here in regard to the pending legislation. Among those who voted for the United States Housing Act of 1937 which is essentially the same in principle and character as this bill, except that this is larger in scope, were such men as Hon. Fred Vinson, then a Member of the House of Representatives and now Chief Justice of the United States Supreme Court. Certainly he is not a Socialist. There were such men as the late Hon. William B. Bankhead, former Speaker of the House of Representatives. As you know, usually the Speaker of the House does not vote unless he asks the Clerk to call his name and so records his vote. Speaker Bankhead at that time voted for this legislation. We all know that he was not a Socialist. Hon. Henry B. Steagall, then chairman of the committee, presented the bill to the House; also the ranking majority member of the Committee on Banking and Currency at that time, and who is now the ranking minority member of the committee, the gentleman from Michigan [Mr. WOLCOTT], made an able and eloquent speech defending the principles of the United States Housing Authority Act, which is the same in principle as this bill. The gentleman from Michigan [Mr. DONDERO] voted for it; and the gentleman from Michigan [Mr. ENGEL]. All the Democratic Members of the House from Michigan at that time voted for the United States Housing Act of 1937. There is no difference in principle. If this is socialistic, so is that act. I do not think it is socialistic. I am sure it is not. I am not a Socialist. We are confronted with a housing crisis. We cannot vacillate in this kind of legislation. If we do not solve it this way there has to be some solution to it or the country will be in a chaotic condition in the next few years. I am not convinced by the formula suggested by the minority leader who, in his statement yesterday, said that after all, people are not going to get married any more like they used to, and that if they do, they can double up and he pointed out that he knows of a vacant house in Attleboro, Mass., which is to rent for $25 a month.

During ample hearings there was presented to the committees of the Senate and of the House of Representatives testimony that convinced the majority of us. Testimony for instance from the United States Bureau of the Census, which has been repeated in different hearings and never contradicted, that by the year 1960, which is only about 10½ years away, we will need a minimum of 15,000,000 additional non-farm-dwelling units in the United States. This bill does not undertake to fulfill that need. This bill just undertakes to provide a means by which the poorest income families in the United States up to the limit of a million shall be able to find a place to rent. They do not get it free, they pay rent. Private finance, without the machinery provided for in this bill, will not enter the field. That has been proven. It is before our eyes. Observation and experience prove that to us. They are not undertaking to build homes for families in that low-income group. Hence the slums and squalor and all that goes with slums and the public loss that is involved.

Then gentlemen cite the Constitution. If it is constitutional for us to rehabilitate the cities of foreign nations and even the cities of our former enemies in the last war, certainly it is constitutional to cooperate with our local governments in a practical plan by which the slums can be eliminated and the needed buildings and projects constructed.

The provision regarding slum clearance is that the Federal Government makes available the sum of $500,000,000 to be expended in contracts with cities over a period of 5 years. The Federal Government does not do the whole job. It cooperates with the cities. This is the way it works: The cities have wanted to clear these slums and use that land in a proper way, but there is a limit to what they can spend. The excess over that limit, or that differential, in order to obtain the construction that is needed, is where the Federal Government steps in and says, "We will give to the cities, if they adopt this plan of slum clearance, up to the limit of two-thirds of that differential, or two-thirds of the net project cost in order to clear the slums."

That is not given away. There is something done with it. There is enrichment to our cities and enrichment to the Nation.

In regard to the public-housing feature, the Federal Government sets up a billion and a half dollars revolving fund for loans, which are paid back by the municipalities.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. O'BRIEN] has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Chairman, I am very glad that we are finally being given the opportunity to discuss the housing bill on its merits. The housing situation is still the Nation's No. 1 problem and I am convinced that H. R. 4009 is the only means of securing decent homes for low-income families, now living in crowded, unhealthful, slum conditions.

It is true that the number of houses built during the past few years has exceeded all previous building records; but only a small proportion of those houses were sold or rented at prices that the majority of our families can afford. I am a firm believer in the system of free enterprise, but in this particular field, free enterprise has been unable to provide a solution for the housing shortage. This may be partly due to the fact that private builders are not interested in building low-cost housing because of the low profit in such work. That is readily understandable, but that does not help the situation. Slum conditions and the housing shortage are steadily growing worse, and only assistance by the Federal Government, such as advocated in H. R. 4009, can alleviate the conditions.

Last week I received a letter from the chairman of the Housing Authority of Baltimore City, which I want to insert at this point, calling attention to the dire need for this legislation to help solve the problem in Baltimore, and I know that similar conditions prevail in a great many other localities. The letter follows:

HOUSING AUTHORITY OF
BALTIMORE CITY,
Baltimore, Md., June 14, 1949.

Hon. EDWARD A. GARMATZ,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN GARMATZ: I am writing you as chairman of the housing authority, and on behalf of the other commissioners of the authority, to request that you give your support to H. R. 4009, the General Housing Act of 1949.

There is an acute need in Baltimore City for additional decent dwellings for low-income families. Studies conducted by this authority indicate that at least 50,000 dwellings in the city are in such deplorable condition that they should be torn down and replaced. Many thousands of these dwellings, unfit for human habitation, are now being occupied by more than one family. Private home building has been proceeding at a comparatively high rate but only for the benefit of upper-income groups. There has been no increase in the supply of dwellings, old or new, available to present slum dwellers.

The existence of this enormous unfulfilled need is dramatically demonstrated by the applications received by this authority. We now have approximately 20,000 applications on file. Over 8,000 were filed in 1948 and so far the 1949 rate is even greater than last year. A check of recent applications indicates that virtually all families applying live in substandard housing and that one in every seven is facing eviction. Two-thirds of all applicants had family incomes below $2,500. During 1948 we were able to place only 844 families in our existing low-rent projects. The average income of these families was only about $1,400.

Statistics are often cold and meaningless. A clearer conception of the difficulties confronting Baltimore's low-income families can be gained from the very many letters we receive pleading for assistance. A few of these are quoted on the attached sheet. (Since these communications are regarded as confidential, identifying names and addresses have been deleted.)

In the face of this crying need I am appalled by the irresponsible and misguided nature of the opposition to H. R. 4009. I do not want to take your time to make a detailed rebuttal of all of the opposing arguments, but let me quickly mention just a few:

1. It has been said that public housing is in competition with private enterprise. The average family income of all families living in low-rent projects operated by the Housing Authority of Baltimore City is $1,742. (This includes the very small proportion of families with incomes over our limits who are being moved out as fast as local circumstances permit.) Can private enterprise supply decent housing to families of such incomes? Everyone knows that it cannot. How, then, could we possibly be competing with private enterprise?

2. It has been said that public housing is socialism or communism. Such an argument is pure poppycock and an insult to the intelligence of the American people. Does anyone seriously believe that if this charge had even a grain of truth, the bill would be supported by all of the veterans' organizations, by all of the major religious groups, by both Republicans and Democrats, and by 4 out of 5 Senators?

3. It has been said that public housing is not necessary, since slums can be eliminated through the operations of the so-called Baltimore plan. Everyone connected with the Baltimore plan knows that this is simply not true. The Baltimore plan helps to a limited extent, but the dwellings still remain slums. Furthermore, the Baltimore plan cannot eliminate overcrowding or create an additional supply of low-rent dwellings.

4. It has been said that the bill is too costly. The cost estimates which accompany such an argument are inflated and exaggerated, as a recent report by the Bureau of the Budget has proved. Furthermore, the alleged costs of the bill are based upon a 40-year period. Any annual cost, no matter how modest, can be made to sound astronomical by multiplying it by 40. And, finally, the costs must be considered in terms of the benefits to be gained. The real question is, Can we afford not to clear our slums? The cost over 40 years of doing nothing in terms of public health, decreased property values, crime, juvenile delinquency, and disease make the costs of the bill seem insignificant. The opponents to this bill are quibbling over the price of a hose while their house burns down.

5. It has been alleged that slums can be cleared without any need for additional public housing through the operations of such agencies as the Baltimore Redevelopment Commission. Urban redevelopment is an essential tool in any comprehensive attack on our slums, but without low-rent public housing it is powerless to act, since it otherwise has no means of relocating the families now living in the areas marked for clearance.

Public housing is no longer an experiment. It has been tested in cities all over the United States, and it does provide decent housing for low-income families at an extremely modest cost. There is no other method known which does accomplish this result. The present bill is an outgrowth of this experience and is based upon years of study. Every congressional committee in both the Senate and the House which has studied the problem has endorsed the principles upon which this bill is based.

The commissioners of the Housing Authority of Baltimore City, who receive no compensation for their services nor have any interest other than that of public service to their community, respectfully urge you to support the bill in its present form and to oppose any attempt to render it inoperative through crippling amendments.

Most cordially yours,

DON FRANK FENN,
Chairman.

The opponents of this bill have advocated the adoption of the Baltimore plan as a means of curing the slum problem. The Baltimore plan is an excellent attempt at helping to arrest the spread of slum blight. It may improve bad housing, but it cannot turn it into good housing. It cannot eliminate slums. Dr. Huntington Williams, commissioner of health of Baltimore City, has written an excellent article on the Baltimore plan, which I would like to bring to your attention:

WHAT THE BALTIMORE PLAN IS AND IS NOT

(By Huntington Williams, M. D., commissioner of health of Baltimore City; and Wilmer H. Schulze, Phar. D., director of the sanitary section, Baltimore City Health Department)

The great social problem of providing adequate and hygienic housing for the people is inherently so complex because of its economic difficulties that it may be likened to a large dark forest. There are many promising approaches that can be made to solving this puzzling problem, just as one may enter a forest between any two of its trees. Further penetration reveals that the darkness is real, that others who have entered from different directions are also in a quandary but may be sincerely interested in the exploration. To the extent they are aware that success will depend on teamwork and a reasonable interest in helping the people who need better housing, they will become conscious of their natural teammates as they bump into them in the forest. Together they can then go forward toward a clearing where there is some light and a chance to map their courses in a manner that eventually could solve the housing problem.

ONE METHOD—LAW ENFORCEMENT

The enforcement of legislation pertaining to sanitation and nuisances was one of the earliest functions of local health departments. While public health interest in housing in Baltimore City may be found as early as 1850, the use of special health legislation to improve existing unsanitary housing on an area basis is a relatively new undertaking. Experience in Baltimore during the past decade has demonstrated that by law enforcement many existing slums in blighted areas may be made habitable even though the results accomplished do not turn these worn-out houses into a state of real decency.

The Baltimore City health department has chosen to enter the forest by the path of housing law enforcement as an attack on the rock-bottom slums. In 1939 the city health department secured the aid of the city buildings engineer and succeeded under ordinance in having one of the worst slum spots in the city demolished. A few other rock-bottom slum houses were also demolished or rehabilitated shortly afterwards.

For a period of more than 18 months, which was a crucial time in what was actually an adventure of the city health department into the field of controlling unsanitary housing, an editorial writer on the staff of the Baltimore Evening Sun, who called himself its "Architectural Correspondent," gave superb support. By making personal slum surveys with the commissioner of health and the city welfare director and a press photographer, the slums were taken frequently to the front doorsteps of the citizens on the editorial page of the Evening Sun. This very unusual publicity gave a strong 2-year initial educational public support that can now be seen in its true perspective—it was the essential foundation stone for later success in a relatively new field of public health endeavor. Eventually there was a test case in court and the owner of the slum property involved lost his case and was found guilty of violating the general nuisance abatement section of the city health code.

PUBLIC OPINION SUPPORTS LEGISLATION

In order to give the city health department the authority to develop an effective housing law enforcement program, an ordinance on the hygiene of housing was carefully prepared and enacted. This ordinance received the approval of the mayor on March 16, 1941. It included an all-important section that gave the city health authority power to adopt rules and regulations deemed necessary to make the enforcement of the ordinance effective "for the better protection of the health of the city." Both owner and tenant responsibilities for the maintenance of sanitary dwellings were included in the ordinance and in the regulations that were adopted and promulgated in 1942. The regulations were carefully drawn so as to provide a minimum standard for housing sanitation. During this period, an amendment to the existing rooming-house ordinance was approved on June 28, 1941, and rules and regulations governing this type of dwelling, as well as others to control trailer camps, were also adopted in 1942. The city housing code containing the ordinances and regulations previously mentioned, together with the nuisance abatement ordinance, was published in 1943. In this same year a division of housing in the sanitary section of the city health department was established.

Enforcement of the new ordinance proceeded slowly at first, as had been anticipated. Its legality was challenged by an owner after he was found guilty in the criminal court of Baltimore city. On appeal to the Court of Appeals of Maryland, the judgment of the lower court was affirmed on June 24, 1943, and the constitutionality of the ordinance was established.

During the war period most of the enforcement effort was of necessity devoted largely to the correction of unsanitary and unsafe housing related to the city's large influx of war-industry workers and their families. Experience gained during the war years demonstrated that an enforcement program under normal conditions could achieve much more in the way of satisfactory compliance with the housing code on a block or area basis than by spot enforcement based largely on complaints. Such an area program would not single out individual owners or tenants who would be reluctant to put forth much effort in the way of compliance while other owners of adjoining or nearby dwellings were not required to conform.

AGENCIES COORDINATE THEIR EFFORTS

An opportunity to proceed with enforcement on a block unit area as a trial was presented in September 1945, when the mayor called a conference of city officials concerned with housing and sanitation, at which time

he asked them to coordinate their efforts toward correcting flagrant violations of city ordinances in areas where bad housing and unsanitary living conditions existed. During the fortnight after this meeting the Baltimore City Housing Law Enforcement Committee was organized at the suggestion of the commissioner of health and the city buildings engineer. The committee consists of representatives of the chief city departments that are concerned with the legal phases of housing control. The committee selected a block in the southern part of the city that was fairly characteristic of its substandard Negro housing. Representatives of the enforcing agencies—the health department, the buildings engineer, and the fire department—made inspections of each property in the block, noted all existing violations, and compiled legal notices for their correction. These notices were assembled and sent to the owner or tenant and in each instance set a reasonable date for cessation of ordinance violations. In addition, the health department representatives recorded statistical data pertaining to existing housing and sanitary conditions. As a result of this first trial late in 1945 of the coordinated law enforcement program, plans were made to extend it to adjoining blocks and work on a second block was begun in 1946. Progress was necessarily slow in this period, chiefly because of lack of an adequate staff, acute shortages of materials, and the newness of this type of approach toward improving housing and sanitation on an area basis.

Early in 1947, with the guidance of the commission on city planning, the redevelopment commission, and the city housing authority, six areas of the city consisting of about 308 blocks were selected by the housing law enforcement committee as suitable for primary attention. During the same year, the law enforcement committee was streamlined to consist of five persons representing the health department, the department of public works, the fire department, the police department, and the redevelopment commission. Representatives of other official agencies are called upon as specific problems arise. Further to expedite the enforcement program, it was agreed that all original inspections would be made by the city health department. The fire department or the bureau of building inspection is brought into the field work whenever needed. These changes, together with an increase in the health department inspection staff in its division of housing, made possible the expansion of the enforcement efforts in 1947 to include 26 of the 308 additional blocks. This enlarged work includes approximately 900 dwelling units, some for white and some for Negro families, located in four widely separated areas of the city.

HOUSING COURT AND SANITARY POLICE

Another major development was the establishment in July 1947 of a central housing court set up to hear all cases involving violations of ordinances pertaining to housing and sanitation. Formerly, cases of this type had been heard in the eight district police courts along with numerous nonrelated neighborhood cases. The housing court is in session two afternoons weekly and has demonstrated the value of having all such cases heard in one court designated for this purpose. A record has been published of the first year's work of this special housing court where a total of 1,596 cases were heard.

Another innovation in 1947 that plays an important part in the city-wide sanitation and housing program was the assignment given by Baltimore's Police Commissioner to a police inspector to organize a group of 16 police officers, 2 in each police district, to devote their full time to the correction of unsanitary conditions and certain housing violations in their respective police districts. Joint conferences are held with them by the Health Department and the Housing Law Enforcement Committee as the need arises in order to coordinate their activities with those of other responsible official agencies. The 16 sanitary police brought 1,345 cases to the central Housing Court during its first year and during the same period obtained compliance with 18,119 notices issued to correct unsanitary conditions without the need for such court action.

With the expansion of the enforcement program in 1947 there was noticeable evidence of an increase of cooperation and interest on the part of most owners and tenants in proceeding more promptly to comply with notices to cease ordinance violations. Some owners in nearby blocks have been observed making improvements to their properties without receiving notices. In some instances owners have gone beyond the notice requirements in making desirable changes.

The cooperation of all related official agencies is essential in an enforcement program. Such agencies as the fire department, the police department, the department of public works, the bureau of building inspection, the city comptroller, and the welfare department play an important role in specific problems that arise during enforcement procedures.

MANY APPROACHES TO THE HOUSING PROBLEM

Enforcement of the provisions of the city housing code in Baltimore is only one of several approaches to the housing problem. It is not a substitute for other programs such as redevelopment or public housing or the building of new homes on the basis of private enterprise. What needs to be remembered is that these and other approaches to the over-all housing problem each play their part and each may be as necessary as the others. It is possible, however, where adequate preliminary education and publicity can be secured, that the law-enforcement procedure can do much to bring existing slum and substandard houses up to a minimum of decency and make them more nearly suitable for human habitation. Beneficial results to persons living in blocks where such law enforcement is carried out include improvements related to health and safety such as additional light and ventilation; replacement of outdoor with inside toilets; elimination of rats, rat-breeding areas, dilapidated wood fences and frame structures; correction of structural defects; elimination of fire hazards; and provision of some recreation space, particularly for small children. Such improvements serve to stimulate the occupants to take pride in home maintenance and sanitation and cannot fail to enhance the general health status of the people who live in the slum areas of a city.

The President's attack on the real-estate lobby for opposing the passage of the housing bill has provoked more propaganda from the National Association of Real Estate Boards, through its president. The Housing Authority of Baltimore, being vitally interested in the passage of this legislation because of their first-hand knowledge of its need, has, through its chairman, sent a letter to the editor of the Baltimore Sun, refuting the statements made by the president of the National Association of Real Estate Boards, and giving the true facts in the case. I believe this letter is worthy of your attention, therefore, I am inserting it at this point:

HOUSING AUTHORITY OF BALTIMORE CITY,
Baltimore, Md., June 20, 1949.

EDITOR OF THE SUN,
Baltimore, Md.

DEAR SIR: In a recently released statement reported on the front page of the Sunday Sun, the National Association of Real Estate Boards, through its president, Mr. T. H. Maenner, has taken issue with President Truman's attack on the real-estate lobby and has repeated all of its previous charges against the housing bill now pending in Congress. As chairman of the Housing Authority of Baltimore City, I am in a position to point out how completely unfounded are the NAREB's charges and I feel that it is my duty to explain the facts of the situation with particular reference to our present low-rent housing program in Baltimore:

1. President Truman has stated that the total amounts to be spent under the bill will be substantially less than the amounts authorized. The NAREB asks why, if this is true, are not the authorizations in the bill reduced to the level of expected expenditures? There are two good reasons why this cannot be done:

(a) The amounts required for annual subsidies for low-rent public housing will fluctuate from year to year with the general economic level. In depression years more will be needed than in prosperous years. The maximum authorization in the bill would only be needed during years of severe depression; during other years much less would be required. If, however, the authorization in the bill were reduced to the amount required in an average year, not enough would be available for the comparatively few years when Federal assistance was most needed. This point is well illustrated by our experience in Baltimore. Our contracts with the Federal Government provide for a maximum annual Federal subsidy of $741,720 covering some 4,400 low-rent dwellings. The amount we actually required last year was only $133,926, or 18 percent of the maximum amount available if we had needed it. Over a period of years it is expected that this percentage will average about 65 percent, but during a bad year we may well require the full amount.

(b) The largest single operating expense for any developer, public or private, is interest on borrowed money. Low interest rates mean lower rents. By making the maximum authorized Federal subsidy large enough to cover our debt service, our bonds will have a high degree of security and will command low interest rates, thus reducing the need for Federal subsidy. By promising to pay out $16,000,000,000 (over 40 years) if necessary, the Federal Government will actually have to pay out only the $10,000,000,000 indicated in the President's statement. If the Federal Government reduced its authorization to, say, $13,000,000,000, it might well have to pay out the full $13,000,000,000. A high authorization, thus, becomes fundamentally sound economy.

These two simple facts are at the root of the current controversy over the cost of the bill. They explain why the actual cost will be substantially less than the authorized maximum cost and also why the authorized cost cannot be reduced to the expected actual cost without nullifying the purpose of the bill. By choosing to ignore these facts the NAREB has come up with a total cost equal to twice the probable cost.

2. The NAREB charges that the average cost per dwelling under the bill will be $15,000 or nearly twice President Truman's estimate of $8,645. The NAREB's figure was computed by dividing its estimate of the total cost of annual subsidies by the number of dwellings. Since, as explained above, its estimate of total costs are about twice the actual cost, its unit costs become correspondingly exaggerated.

3. The NAREB questions the sincerity of the bill's proponents in actually desiring to provide decent housing for low-income families on the score that the bill nowhere defines low-income families in terms of dollars. The bill does contain adequate provisions for insuring that only low-income

families will be admitted. The omission from these provisions of a definition of low-income families in terms of actual dollars was deliberate since any such provision would be administratively unworkable. How does one compute a dollar limit which would be equally valid in all parts of the country and over a period of years? A low-income family in New York City might well be a middle-income family in Alabama. A low-income family today would not have been a low-income family before the war. In view of these fluctuations the exact determination of what constitutes a low-income family must be a matter of local administrative action but the bill is so worded that it would be impossible for any local housing authority to violate the bill's intent. Let me cite Baltimore's record on this point. Families admitted in 1948 to low-rent projects operated by the HABC had an average annual income of only $1,410. The average annual income of all families in our low-rent projects as of the end of 1948 was only $1,742. There is no specific dollar limitation on income in the existing legislation covering our present projects yet I feel that even the NAREB would admit that the figures I have quoted represent low-income families.

4. The NAREB makes much of the fact that the bill permits operations on vacant land. Although the NAREB does not so state, the sections of the bill which it quotes pertain to the operations of local redevelopment commissions rather than local housing authorities, and I do not feel that it would be entirely appropriate for me, as Chairman of the Housing Authority, to discuss a matter which more appropriately falls within the jurisdiction of another agency. I would like to point out, however, that no slum clearance is presently possible until new quarters are found for the families now residing in the areas to be cleared, and that in view of the present housing shortage this means that a certain limited amount of new housing will probably have to be provided on vacant land.

5. The NAREB states that low-rent public-housing projects should be constructed only following a local referendum. Again any such requirement would be administratively unworkable. Our Federal, State, and municipal systems of government are based upon our public business being carried on by elected representatives or by the appointees of elected representatives. As pointed out in an editorial in the Sun for April 26, the present bill carries ample provisions for local autonomy by requiring that any local participation must have the full concurrence of the local governing body. The only persons who have advocated local referendum are those who are bitterly opposed to the bill and their sincerity is, therefore, open to question.

6. The NAREB quotes a whole series of statistics designed to prove that there now exists an ample supply of decent housing for low-income families. Apparently we are supposed to be convinced that there are no slums in Baltimore or anywhere else. The citizens of Baltimore know that this is not true and it does not seem necessary for me to make a detailed rebuttal. I might point out, however, that there is now a backlog of 20,000 applications in the Housing Authority's files, most of which are from low-income families now living in substandard housing.

7. The NAREB objects to the fact that public-housing projects are tax exempt on the score that the taxes of other citizens must inevitably be increased. In the first place it can be proved that the cost of tax exemption to the city for this type of program is negligible. In the second place, the NAREB takes no account of the fact that our present slums represent a financial drag upon all taxpayers in terms of excessive costs for such municipal services as fire and police protection, public-health costs, etc. Many studies have conclusively proved that our slums cost the city far more than they produce in revenue and are in effect being subsidized by the taxpayers who live in other areas. If we are to have subsidized housing, let us have subsidized decent housing and not subsidized slum housing. Nor does the NAREB pay any attention to the great loss in human values resulting from our slums—the high rates of crime and disease, the excessive number of juvenile delinquency cases, and the heavy toll of hopelessness and despair.

8. Finally, the NAREB has dragged out again the hoary old chestnut of socialism. The word "socialism" seems to be used too freely these days to disparage any progressive program. The housing bill represents the best possible method so far developed of tackling a problem which must be solved. If it is socialism then so are public schools, public highways, and many other of our accepted methods of performing needed public service. There are far greater dangers to our American way of life in doing nothing about our slums and our housing problem than anything which could possibly come out of the present bill. I cannot regard as un-American any proposal which has the support of every veterans' organization, every important labor organization, all of the important church groups, and a long list of other organizations. The present bill was backed by four out of every five Senators and its principles have been endorsed by every congressional committee which has studied the problem in the last 5 years, including three Republican-controlled committees in the Eightieth Congress. The NAREB is free to regard the housing bill as socialism if it so chooses; personally I prefer to regard it as conservatism in the best sense of the word.

Sincerely yours,

DON FRANK FENN, *Chairman.*

Charges of socialism have been made against this program, but personally I consider our efforts to aid those less fortunate segments of our population as Americanism, not socialism. This legislation has the support of the following national organizations, and these groups can hardly be considered as favoring socialism:

MAJOR NATIONAL ORGANIZATIONS SUPPORTING H. R. 4009

American Association of Social Workers.
American Association of University Women.
American Council on Education.
American Council on Human Rights.
American Federation of Labor.
American Home Economics Association.
American Legion.
American Municipal Association.
AMVETS.
American Veterans Committee.
Congress of Industrial Organizations.
Council for Social Action of the Congregational Christian Churches of United States of America.
Council for Christian Social Progress, Northern Baptist Convention.
Department of Christian Social Relations, Women's Division, Methodist Church.
Department of Christian Social Relations, United Council of Church Women.
Division of Social Education and Action of the Presbyterian Church.
Family Service Association of America.
Federal Council of the Churches of Christ in America.
Jewish War Veterans.
League of Women Voters.
National Association for the Advancement of Colored People.
National Association of Consumers.
National Association of Housing Officials.
National Association of Jewish Center Workers.
National Association of Rural Housing.
National Conference of Catholic Charities.
National Council of Catholic Women.
National Council of Housing Association.
National Council of Jewish Women.
National Council of Negro Women.
National Farmers Union.
National Federation of Settlements.
National Institute of Municipal Law Officers.
National Lutheran Council.
National Housing Conference (formerly National Public Housing Conference).
National Women's Trade Union League.
National Association of Parents and Teachers.
United States Conference of Mayors.
Veterans of Foreign Wars.
National Urban League.
National Board of the Young Women's Christian Association.

The housing situation has been given careful study by both House and Senate committees for many years, and has revealed the dire need for this legislation.

Both the Democratic and Republican campaign platforms pledged Federal aid for slum-clearance and low-rental housing programs, where the need could not be met by private enterprise or State and local authorities. Therefore, our failure to enact such a program at this time would be a repudiation of our party platforms, the platforms on which we were elected to Congress. We cannot do otherwise than support this legislation, without crippling amendments, and without further delay.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I have always thought it was a rather good thing that in the other body housing was recognized as bipartisan business. I hope that when the vote comes in this body housing will be recognized as bipartisan business. I think that is true in both an affirmative and a negative sense.

First, it takes bipartisan votes to enact housing legislation, and it takes bipartisan votes to keep it implemented.

Second, housing has been equally frustrated by Democratic and Republican Congresses. The other body on three separate occasions has passed a housing bill, but regardless of the leadership in this House at the particular time, it has been impossible to get that housing bill even discussed on this floor. I think this debate is a great day for the great bulk of the American people; certainly for those who live in the cities, because at long last in the House of Representatives we are going to vote yea or nay on this whole housing problem.

So that my remarks about bipartisanship on housing may be clear, I quote from the Republican platform adopted in 1948 in connection with the presidential campaign, as follows:

> Housing can best be supplied and financed by private industry, but the Government can and should encourage the building of better homes at less cost. We recommend Federal aid to the States for local slum clearance and low rental housing programs only where there is a need that cannot be met either by private industry or by the States and localities.

I submit that this bill does exactly that, in almost such words.

Mr. Chairman, many people seek to tell us that this is a matter of limited application; that it will not affect many people of the United States.

There are 397 cities in the United States with populations of over 25,000. I believe that practically every Member of this House will find that one of those cities is in his district, and that every one of those cities is deeply interested in this bill.

We are told also that this bill is socialistic. I think that argument has been answered many times, but one answer that seems important to me is that it seems to depend on whose ox is being gored. There is apparently no socialism in even a billion dollars for parity payments and other Federal aids for farmers There is no socialism in aid for rivers and harbors, soil conservation, and irrigation. There is no socialism in a bill which I voted for, and which many other Members voted for at last session, which actually helped to house migratory workers to help the farm situation in the United States; that bill was passed, and passed with a heavy vote by this House in the last Congress.

We are told also that if we pass this bill the housing of our Nation will be taken over by the Government. There is no substance to that. I have taken considerable trouble to ascertain exactly how many public housing projects there are in the United States, State, Federal, city, or other, and they come to the tremendous total of 276,171, to which we propose to add about 800,000, making something over a million out of roughly 35,000,000 housing units in the United States.

I went around yesterday with nine other Members of the House to some housing projects in New York. To get the physical impact of the "before" and "after" effect, I ask you to look at these two pictures. This one is "before"; this is a slum. Just get the impact of this picture. You have heard about all the merits and demerits, the pros and the cons, the cost in dollars and cents. This is the slum; this is where human beings are asked to live, and yet we call upon them to be patriotic Americans and appeal to them to do everything humanly possible to resuscitate the depressed nations of the earth. This second picture represents a housing development in New York such as is contemplated by this bill. The difference between these two pictures is all the difference between life and death as far as human morale is concerned and as far as human prospects are concerned.

We are told that we should not pass this bill on the grounds of economy. I reply to that that we must balance all the claims to the revenues of the United States in some feasible and fair way. I ask you first to take the figures of $300,000,000 a year to be invested in low-rent federally assisted housing on essential and critical improvement for the welfare of the people of the United States, and compare that with some $15,000,000,000 a year spent for national defense, and some billion and a half dollars a year spent on various farm programs, and then see whether the housing bill represents an extravagant approach to this basic problem; whether it is not essential that we pass this bill in order to have some balanced approach to the welfare of our people, as well as for the welfare of the Nation and the world.

This is a very reasonable program, and it is reasonable in this sense: We are told today that private enterprise on the one hand is doing the job, but we know it cannot, because, if it were, we would not have these urgent representations that are coming up from the leading national organizations, the cities and communities, the veterans and people generally, for this type of relief, a demand that comes from all over the country. We are told on the other hand that private enterprise is not doing the job. Somewhere there is a gap, and I submit that this bill is designed to fill up that gap. It seems that private enterprise is being stabilized at in the range of 800,000 to 1,000,000 home units a year. Under a housing bill we should expect to add somewhere between 250,000 and 500,000 additional units. The passage of such a bill, therefore, should result in a balanced program and one that will also give aid to the lower middle income groups. If we do this, then we are embarking upon a housing program that is somewhere nearly adequate to meet the housing need within the next 10 years. The housing bill should pass, and we should include in it provision for the lower middle income families as provided for in the bill H. R. 1973 introduced by me and nine Republican colleagues.

We have seen there is a margin of difference between an inadequate program, which is what we have today, and an adequate program; and our people are reasonable; the people do not expect the unreasonable or the unattainable. If we pass the housing bill amplified with provision for lower middle income families, we will find, in our respective districts, that the people are satisfied, that we will have kept our faith with them.

One last word: Our democracy is important to us; it is important, certainly, to me as a member of a minority, and equally to every other Member of the House. I think it is fundamental, especially with us here as legislators, that our democracy cannot be so inflexible as to be unable to meet modern demands—demands brought about by demonstrably changed conditions. To insist on the theory of inflexibility is the surest way to shatter our democracy. The surest way to preserve our democracy and to make it virile and strong is to show that it has the resourcefulness and the flexibility to meet the problems of the welfare of our people when those problems are as clearly and as strongly shown to us as they are in housing.

There are very few measures we have been called upon to consider that have been more thoroughly scrutinized, that have been more thoroughly debated, that have been more thoroughly argued about in the country than this housing bill. I think that Members, whether for or against the bill, must come to the conclusion that the whole of the debate which has taken place very intensively for the last 4 years has failed to show that this program is invalid, has failed to show it is socialistic; on the contrary, it has shown it is reasonable, it is a necessary program and it will do exactly what it sets out to do, that is to go far to make up the difference between the homes that we require and the housing which is being built today by private enterprise.

I believe we are going to be surprised by the number of votes for this bill on both sides of the aisle. I say that if there is a substantial vote on both sides of the aisle, it will be the best thing that could possibly happen not only for the American people but for our constitutional democracy.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Illinois.

Mr. YATES. I want to congratulate the gentleman upon his excellent presentation of the problem as it exists in our large cities. I was with the gentleman on a tour of New York City and of Philadelphia. I saw the slums as they exist in those two great metropolitan areas. I saw the attempts that had been made in both New York and Philadelphia to meet the problem. I think that the attack that has been made in the city of New York has been a revelation. It has taken and brought sunshine into the lives of all these people who, except for the public-housing program, would have been doomed to the blight of a slum area.

We in the city of Chicago are just as vitally interested in that except that, because we have a constitution which impairs the possibility of our undertaking the program, such as was created in the city of New York, we must have the assistance of the Federal Government.

Mr. JAVITS. May I say that I asked one question of all the good people in the public-housing projects yesterday whom I met. I said, "In any way does living here encumber your personality, your vote, or any of your freedoms of speech and action?" Each one said, "Absolutely not; on the contrary it frees us because it frees us of squalor; it frees us of worry."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, may I ask the gentleman from New York how much these units are going to cost?

Mr. JAVITS. The estimate of cost is somewhere in the neighborhood of $8,500 per unit. The normal unit is about four rooms.

Mr. MURRAY of Wisconsin. Mr. Chairman, I have heard many stories in regard to cost, but I will take the gentleman's figures instead of the ones I have heard otherwise. I call the attention of the members of the committee to a few things that are happening out in the country, and I do not want to get into a city-country controversy. I just want to recite my own experience in connection with trying to do something for the rural people we hear so much about.

The year before I came to Congress a man asked me if I could help him get a loan on his house. He was about to lose it. I took him to the proper place. They

asked him how many dollars he wanted to borrow. He told them $1,500. They asked him if he had waterworks in it. He said, "No." They asked him whether he had lights. Yes, he had lights. Then they said they could not do anything about it because it was not a modern house. Of course, he lost his house. In the cities we took care of lots of them.

Let me cite another example. I happen to have a village in my district with a population of about a thousand people. It is a splendid community where the people have worked and have really made a success out of farming. When they retire they move to this small town.

It is a good little town, with plenty of business. Do you know how much of an FHA loan they can get to build a house in that village? They have some mighty fine homes there, too. Do you know how much? Three thousand five hundred dollars. That is the extent to which Uncle Sam is interested in building houses there. Under this bill you propose to build $10,000 to $12,000 homes.

Within the last 6 months a man who lives in a village in Wisconsin came to me with a problem. He has a piece of land in the village. He owes $1,400 on it. He wanted to borrow $1,400. There was not a Government agency interested or in a position to lend him the $1,400. Are you asking me to vote for our Government to build a $10,000 to $12,000 home for someone, when the same Government does not see fit to save a $1,400 home with the land thrown in.

Now you can see why a person that happened to come from a State that has had its income reduced by 33⅓ percent since election day might not be too anxious about working out any more schemes or passing out public funds until we check on some of them already passed out.

There is a way to approach this problem and the people of the country do not ask for any program that is not extended to the people in the cities. We have had a program for years under the Bankhead-Jones Act and under the Farmers Home Administration. It has been going on for several years and we have tried to do something for the rural areas. Under the Bankhead-Jones Act we appropriate $15,000,000 a year. Now, it is going to be a long while to ever get much done on farm tenancy with $15,000,000 a year. About the only time you hear about it is during the Democratic campaign when they tell people how they promote farm ownership. Today you want the tail to wag the dog. You want to come in with $275,000,000 for the rural areas, $25,000,000 of which is absolutely a blank check. Now, that may be a good idea for a Democrat or anybody else to give out $25,000,000 blank checks. Under the rural section of this bill, thank goodness, they are going to tie this with the Farmers Home Administration.

The older Members here know the days when we had Mr. Tugwell running the Farm Security Administration. You look back in the Seventy-ninth Congress and you will find that under the leadership of the gentleman from North Carolina [Mr. COOLEY] we passed the Farm Home Administration bill. Some agricultural groups are getting money for 2 percent interest, some for 3, and some for 4. The Farm Home Administration has been developed into one of the best agencies in the Department of Agriculture. It helps the lower-income group so far as agriculture is concerned, and if the Government wants to furnish the people of this city with 2- and 3-percent money and give them the same consideration that they give farmers, there is no reason in the world why anyone could not support it.

My contention is that we may be getting along all right because this money is to be handled by the Farm Security Administration, but what I cannot figure out is why this new outfit has to stick its nose in it. Why do we not appropriate this amount to the Farm Home Administration and be done with it? It takes several years for the Farm Security Administration to be supplanted by the Farmers Home Administration. They have made a real agency out of the Farmers Home Administration, and it is an agency that any Member of Congress can stand up any place in the United States the way it has been operating in the last 2 or 3 years, and be proud of. Why start up a new farm-loan agency?

There is one distressing thing about this bill here today, including the bill introduced by my distinguished colleague, the gentleman from New York [Mr. JAVITS]. Of course, I feel sorry for those fellows in these big cities. They kind of suck the lifeblood out of the people of the Nation, but they do not take care of their own affairs. They can have nice things in the cities, but it is always at the expense of the farmers and the rest of the people of the Nation.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Illinois.

Mr. YATES. For the people of the city of Chicago and the people of the State of Illinois I will say that they have been attempting to have a constitutional convention for the last 20 years to revise their constitution to permit an equitable system of taxation, and their efforts have been thwarted by the rural areas down State.

Mr. MURRAY of Wisconsin. Of course, you have had enough rackets so you could have had enough money to build palaces, but I do not want to get into that angle of it. I do not like to see the tail wagging the dog. This fair deal is getting screwier than the New Deal ever was. We just got the New Deal straightened out on the Farm Security Administration and now you want to come back in and put these fellows in the same position they were in when Tugwell was running it, and everyone of us here today is going to be sorry for it. So, I say the first thing that should happen to this bill is not let the tail wag the dog. Allocate the money to the Farmers Home Administration and have them operate and not let these other people be messing it up.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentlewoman from Ohio.

Mrs. BOLTON of Ohio. I wonder if the gentleman intends to offer an amendment to that effect.

Mr. MURRAY of Wisconsin. I know how little weight I carry around here. The Democrats have a majority of 91.

Mrs. BOLTON of Ohio. Some of us might like to agree with the gentleman.

Mr. MURRAY of Wisconsin. Good; so I will tell the gentlewoman what I have done about it. I just do not like to embarrass myself by bringing an amendment in here and having just a few people vote for it. I do not like to do that. When I get into a battle I want to be sure to win. So I did go to the gentleman from Arkansas [Mr. HAYS], a member of this committee, who used to work for the Farmers Home Administration. He will tell you whether I am telling the facts about this case or not. I went to him, and I went to the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY]. If the gentlewoman thinks it would do any good, I would be glad to write an amendment, but those in the other party have the majority.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Illinois.

Mr. YATES. I understand the gentleman proposes to offer an amendment which would provide additional housing for the farmers of this country. I for one will support adequate housing for the farmers of this country. But does the gentleman mean to imply by that that after voting for the farmers of this country and taking care of them he is going to leave the city dwellers out in the cold?

Mr. MURRAY of Wisconsin. My experience in life, and I have lived in the country pretty much, is that I have never had to worry about our city friends. They always take care of themselves.

Mr. YATES. They have not been able to.

Mr. MURRAY of Wisconsin. I will vote for an amendment that the gentleman from North Carolina [Mr. COOLEY] or anyone else on the majority side brings in that will transfer this money absolutely to the Farmers Home Administration, period. I know the work they do. They can do a good deal more work for the lower-income group than this bill will ever accomplish. When that amendment is voted, I surely will vote for another amendment, if the gentleman will introduce it from the city, setting it up in such a way that if anybody wants money in the city he gets it at the same rate that they pay in the rural areas, 2- or 3-percent interest. These would be loans though, not gifts.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from New York.

Mr. JAVITS. Is it not a fact that the Farmers Home Administration is under the Secretary of Agriculture, and that this bill refers to the Secretary of Agriculture?

Mr. MURRAY of Wisconsin. Yes, and no one can take my remarks as any reflection on the Secretary of Agriculture.

Mr. YATES. If the gentleman will yield further, I think the gentleman from Ohio meant to imply that this is one country, composed of both city people and rural people, and that all should be taken care of together.

Mr. MURRAY of Wisconsin. I surely would not want to add anything to the class warfare that has been carried on by your party during the last 15 years, at least. I do not want to get into that phase of it.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, every citizen, whether he is for or against socialized housing, should ponder the long-time results of such a policy if it is begun. The Senate has passed the socialized housing bill. The House Committee on Rules opposed it, but finally agreed to let it come before the House for full debate and a vote.

H. R. 4009, the Housing Act of 1949, in substance, puts the Federal Government into the housing industry. Under its provisions Uncle Sam would be committed to spend $10,000,000,000 to $15,000,000,000 in the next few years for so-called slum removals—and the States another $5,000,000,000—to construct homes and apartments for the low income groups. This would mean that the Government would become the biggest single home builder and renter in the Nation. It would also mean that all our citizens would be taxed while less than 1 percent of the population might expect to eventually reap a benefit.

Mr. Chairman, wherever a government has begun such activities, one inevitable result has always taken place. Private industries that had been operating in this field have had to retreat because of government competition. The government starts off with a little bit of socialism, like a camel's nose entering the tent, and ends up with complete statism or socialism. A threat to communize America by seizing the Capitol by force would cause our people to spring to arms. They would fight to the last minute for their freedom. But when socialism is encroaching, little by little—as it does in this socialized housing bill, it is not recognized as a threat to liberty and freedom, and the people are not alarmed.

Mr. Chairman, while the fight for socialized housing goes on in Congress, a bill to stimulate more home ownership among families of moderate means is being sidetracked by the administration. Senate bill 712 would provide FHA mortgage insurance for loans on small homes purchased with five percent down payments. Astonishing as it is, administration leaders are devoting their efforts to the passage of H. R. 4009, a socialized housing bill that will do nothing immediately to meet the demand for homes, while Senate bill 712, the home-building measure that would start construction of a flood of low-cost homes immediately, is held up.

Mr. Chairman, I am opposed to H. R. 4009. I favor instead Senate bill 712, a bill that would encourage private construction of low-cost homes immediately to meet the demands for such housing.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Chairman, any economist, whether he is for or against this bill, will admit that the legislation, in substance, will put the Federal Government into the housing industry. Uncle Sam would be committed to spend billions of dollars in the next few years for so-called slum removals, to construct homes and apartments for the low-income groups, and otherwise to become the biggest single home-builder in the Nation.

Voltaire once said that the only thing we learn from history is that the people never learn anything from history. If we ever are going to learn anything from history, this would seem to be our last chance to start, if we want to retain our civil liberties and our economic freedoms.

In every nation, past and present, where the government has begun such activities, one inevitable result has taken place. The private industries which had been operating in this or that field had to retrench because of government competition. The government started off with a little bit of socialism, about like the camel who put his nose in the tent, but it ended up with complete chaos or socialism.

A threat to communize America by a bold stroke of seizing the Capitol would put our people up in arms. They would fight to the last minute for their freedom. I am sure of that. But when socialism is encroaching, and comes little by little, first to this industry and then to that, it frequently is not recognized for the threat to liberty and freedom that it really is.

Men have labored through the centuries to have the right to work for themselves without government domination or intervention, except to protect the people against fraud and to maintain public order and decency. Yet, such bills as this housing legislation, many feel, is not bad for it helps the poor.

The fact is, when slum clearance was tried in this country during the thirties, the very poor who had lived in slums were not helped at all, as everyone knows. The poor persons who had lived in the slums had to move to make way for the bright new projects, but they were not the same people who moved into the beautiful, airy government apartments. Oh no, others who could afford to pay an economic rent moved into these new government apartments.

A survey made in Atlanta, Ga., of a slum area before and after it had been razed and rebuilt showed that not one single family who had lived in the slum area while it was a slum was living in it a year after the new apartments had taken its place. These people had moved off to another section and had started another slum.

The Federal Government spent hundreds of millions of dollars clearing slums during the thirties but there are so many, or more, slums as before. Slums are one result of poverty, but many slums have been occupied by persons who were very wealthy, just as many extremely rich people may be found wearing clothes others would not care to wear. Every week, the newspapers tell of some aged tramp or recluse who has died and left $100,000 or more in attics, trunks, or tin cans.

The Federal Government, by wasting billions on Federal housing, can make a few contractors happier and richer. It can furnish some more subsidized dwellings for you and me and other taxpayers to maintain. But it cannot make one person clean who is unclean in his or her habits; it cannot promote a love of beauty and neat surroundings in another dissolute breast. People are people, whether the government does or does not waste its money. A decade after all this public housing money is spent and gone, there will be as many slums as ever in America, unless individuals change and determine to make their homes neater, cleaner and more respectable.

The bad results of this bill are these: It will cause private builders to quit building as many homes; investment capital formerly flowing into the housing industry will flow elsewhere; more and more homes will have to be constructed by Uncle Sam to take up the slack and to meet the obvious need for more and better homes; inevitably, the entire building industry will be socialized—maybe not next month, but in a decade or so. That is the way the New Deal planned it and that is the way it will be, if this legislation is passed.

And while the fight for socialized housing is being made, a bill to stimulate more home ownership among families of moderate means is being sidetracked by the administration. Senate bill 712 would provide FHA mortgage insurance for loans on small homes purchased with 5-percent down payments. Astonishing as it is, administration leaders are devoting their efforts to the passage of this unwieldly socialized housing bill which would do nothing to meet the demand for homes for more than a year or two or three. Yet, the home-building measure which would immediately start a flood of low-cost homes is held up.

Mr. SPENCE. Mr. Chairman, I yield 13 minutes to the gentleman from California [Mr. MCKINNON.]

Mr. MCKINNON. Mr. Chairman, in this country, we are ruled by a dictator.

Whether we like it or not, there is one ruler, one dictator, to whom both you and I must bow. We cannot long escape his edict and no revolution from his tyranny can permanently be successful.

That dictator, Mr. Chairman, is fact.

Fact has a way of upsetting our most cherished opinions, and fact sweeps away resistance like the atom bomb leveled Hiroshima.

The reason you Members are here this afternoon is because you pay homage to fact, because you want the basic information that will assist you in a wise decision on this public housing bill.

Let us see what Dictator Fact has to say about—

First, that this bill is socialistic and threatens free enterprise and our competitive system. Try to forget—if you can—those $15,000 cracker boxes that

were sold to homeless veterans under the shameful guise of free enterprise last year, and look deeper into the facts of the situation to see if the charge has any substance.

This public-housing idea is not new. The Congress passed a similar bill 12 years ago. What happened to private enterprise after 1937 in the home-building industry?

Well, by way of answering, let me point out first of all that the facts show that the projects did not go entirely to the big cities—another false charge of the opponents of this bill—but to many smaller communities. The records show that Austin, Tex., was the first approved project; that Charlestown, S. C., was second, and that—and listen carefully—and that of the 582 communities participating in the Public Housing Act of 1937—63 percent were communities under 25,000 population—and 86 percent of the communities that benefited were under 100,000 in population. So you can see that this bill, based upon the only reliable guide we have—the fact of past experience—is not a big city housing bill.

But let us get back to the first charge—that of socialism and the destruction of free enterprise. What happened to free enterprise in Austin, Tex., when public housing moved in? Did the private builder fold his ingenious organization and did the realtor join the unemployment lines?

Of course not. Facts show that private building did not decline, but increased. The building permits in Austin disclose that in 1935, building permits aggregated 803; in 1936, 895. This was before public housing. After the Public Housing Act in 1938, building permits in Austin, Tex., had increased to 1,287 units and in 1939 to 1,587—increases from 50 to 90 percent. By 1947—10 years after the first public housing bill—building permits that year in Austin were 2,234. Of course, there were other stimuli, but the point, as based upon fact, is that public-housing projects in Austin, Tex., did not dry up the construction of privately built homes—and the records show that Austin, Tex., is the rule and not the exception of all the other 528 communities that benefited from public housing.

In fact, if you trace actual case histories, I am sure you will find that some of the families now owning their own homes in Austin once upon a time were beneficiaries of public housing. By being exposed to the joy and convenience of a little decent housing, those who had never known what clean, convenient, and healthy surroundings were, were given a fresh start and a new hope * * * and they became the customers of the private enterprise system and the living exhibits of American human engineering development.

WHAT ABOUT THE COST OF THIS BILL?

You are probably alarmed by the charges that this bill provides for a $20,000,000,000 cost to our Government. That is true—or more accurately, that is half true.

The total contingent liability of this bill as it now stands over the next 40 years is about $15,000,000,000—but that is what it will cost if everything goes wrong.

We project the cost of any business operation upon the basis of the cost of a similar operation that went before. Taking the 1937 Public Housing Act experience as a basis, and adjusting to present-day costs and continuing conditions, H. R. 4009, as amended to 810,000 units, will cost this Government approximately $7,000,000,000 over a 29–30-year period. That is approximately $233,000,000 a year. This figure is based upon experience, upon the cold realities of fact. There is every reason to have confidence in it.

Of course, $7,000,000,000 over a 30-year period is a tidy sum. These are the days when economy is expected and we must stand before the bar of public opinion to justify our actions.

We have a right to ask, and the people have a right to know, what return we can expect should we pass H. R. 4009 and start the $7,000,000,000 program.

We cannot project precisely, but we can fall back again upon the facts as to what we now are spending for slums. Let us see what the facts show as to which is the most expensive—H. R. 4009—or the slums? This country—local, State, and Federal governments, plus the charitable and religious welfare agencies—are pouring not merely two hundred and thirty-three million a year but billions of dollars a year into slums in the form of fire and police protection, crime, and juvenile delinquency, broken homes, and the divorce mill, disease and hospitals.

Although slums and blighted housing make up about 20 percent of our city residential areas, they account for 45 percent of the major crimes, 55 percent of the juvenile delinquency, 50 percent of the arrests, 60 percent of the tuberculosis, 50 percent of all of the disease, 35 percent of the fires, 45 percent of the city-service costs, and yet these slums return only 6 percent of the real-estate-tax revenues.

Los Angeles, for example, pays five times more for fire-, police-, and health-protection services in the bad-housing areas than is required where there is good housing. Newark, N. J., found that it is paying out over $14,000,000 a year more to maintain its slums than to maintain its good-housing areas.

These are only two examples. But, the facts are the same wherever they have been gathered, and they are as true of the small towns as of the large cities. It is a misconception that slums are exclusively a problem of the big cities, and that they can be dealt with exclusively by those communities. Every American city, regardless of size, has its slums. They just are not as massive in the small cities as they are in New York or Chicago, where they fill block after block.

My brilliant colleague and esteemed friend, the gentleman from Illinois [Mr. O'HARA] yesterday convincingly revealed that the fire loss in slums is $210,000,000 a year. The slums share of the total crime cost in our country is $7,750,000,000 a year—and neither of these dollar costs measure the total cost—in humanity. But project the losses from fires, from crime, from health, and from broken homes, and you will agree, with the dictator fact, that H. R. 4009 is a piker when it comes to costs as compared with the slums.

You know and I know that any private manufacturing concern, owning a plant so wasteful and inefficient, would immediately tear it down and construct a more efficient and more profitable establishment. We, as Members of the board of directors of the largest corporation in the world, cannot afford but to do likewise.

There are some who argue that the families who live in slums are the wastrels whose improvident habits are beyond reclaim. The facts do not support this argument. Answer to yourself, which came first in our present generation—the slums or the individuals who live in them? The answer is obvious just as the facts prove that when these people are transplanted, most of them reach and attain the objectives and standards to which all Americans aspire.

The facts drive home that the time is past when slum housing can be considered significant only for those who have to live in slums. It is a problem that affects the whole country and must be dealt with on that basis.

It is not a question as to whether we can afford H. R. 4009—the facts emphasize we cannot afford to be without a public-housing program.

Opponents charge that the bill does not take care of all the slums—and on this one fact they are obviously correct. Unfortunately, we shall probably never eliminate all the slums any more than we will eliminate all the vice of this world, but that does not give us the excuse for individual or collective immorality.

Opponents say that the private building interests will serve our housing needs if the Government will stay out of public housing. But in our hearings, the first vice president of the National Home Builders Association said that the lowest cost housing they could build required a minimum payment of $29 a month—and that is under only the most favorable conditions. The average is nearly twice that high. The Census Bureau shows we have nearly 20 percent of our urban families making less than $1,500 a year income—and while I wish to compliment the private-building interests upon their recent accomplishments in the low-cost housing field, even they will have to admit that they cannot serve or take care of these extremely low-income groups—the one family out of every five. That is why we have slums, and that is why we need a public-housing program.

Opponents charge that the really low-income groups do not get the benefit of public housing. The facts show that they do. The very lowest income group—those on public welfare—are represented in every public-housing project. It varies from a low of 6 percent in the project at Boston to a high of 39 percent at Seattle. But the main point about this value of public housing is that it provides for families with children—large families—the size of families that cannot find private housing. These large families are the future Americans. Can we afford to have them grow up homeless, hopeless, and bitter against the country that of-

fered them no equality of opportunity? What kind of America are we going to have when most of the future citizens remember the signs "no children wanted" that closed the door of a home in their faces and left them in squalor and wretchedness?

And what about the charge that this bill builds a political machine?

I noticed a few weeks ago that Republicans and Democrats alike voted a pension bill for the veterans that—over the long run—costs more than H. R. 4009. They forgot the cry of economy there, because, I fear, they wanted the love of the veterans more.

The vote of the veterans, thank God, belongs to no party. That is because both parties rightfully are interested in the veterans' welfare.

I dare say, the same would be true of the poor and unfortunate if both parties took a sincere interest in their welfare.

The surest way to keep this housing bill from building a political machine would be to have the Republican Party join the Democratic Party in a sincere interest in the poor people. If you really are concerned about politics, then vote with us for human rights.

As Representatives of this great country, let us have the individual courage to face the facts. We can sit and do nothing and eventually invite socialism or a total state—or we can think and go forward on the historic lines of dynamic, progressive democracy.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, let us reason together calmly as citizens of the United States and not as Democrats or Republicans. After an election we represent a great Nation and not a mere party. We have heard a great deal about common welfare; we are all for the common welfare of our great Nation.

We intend to make it still greater, and we shall do everything we can, but to follow everybody's advice as to what common welfare is would mean common destruction. We still reserve our right as individuals to decide whether the person who talks so glibly about common welfare knows what common welfare is as against common destruction.

On January 5, 1949, I introduced H. R. 853, which is a housing bill which would permit the people in the lower brackets to own homes even at the present high prices and to pay for them with a 30-cent dollar. I introduced that bill and asked for hearings but was ignored. I wrote at least one letter to the committee asking for a hearing, but never received any. I expect to offer that bill, H. R. 853, as a substitute for the bill under consideration, H. R. 4009.

May I say also that my bill will create homes while H. R. 4009 just creates tenants. There is a vast difference between a homeowner and a tenant. The tenant, after all, becomes reckless and careless of other people's property, but he will cherish and protect his own home. For that reason I provided in this bill doing just what my colleague from North Dakota [Mr. BURDICK], wants done—which the bill offered by the committee fails to do—that is, create homeowners and make it possible for the people of this great Nation of ours to own homes of their own.

My bill provides, first, if you want homes, you form a little group. It is modeled after the Federal land-bank law. You form groups consisting of 10 or more members. When you form a group you get a charter from the Federal Housing Administration. When you get the charter you have a right to make a loan and get a home.

The bill provides for a loan up to $15,000. Do you remember the wonderful showing we made during the depression in saving the homes of this Nation by making loans, and not by making tenants? It was by protecting the homeowners of America. That is what my bill does.

When you get this association formed and you have your charter, you make a loan and you get it at the rate of 2 percent, which is the interest rate that was paid by the Federal Government on the money it borrowed at the time I drafted this bill.

The bill provides that you may build a home up to $15,000. As originally drafted it provided you should raise 10 percent of the amount you wanted to borrow of your own money, the feeling being that you ought to have some interest in your own home. I have been told, and it has been suggested to me, that we should require no payment up to five or six thousand dollars so that people in the lower brackets can get a home.

We provide further in the bill that you have 30 years in which to pay for it. Someone has suggested 20 years, and I have no great objection to amending the bill and making it 20 years in place of 30 years, because under this bill when you get the money at 2 percent you can pay for it.

We give you other advantages under my bill. We provide that any payment you make on your home will be deducted from your Federal income tax. Right here may I say that if the Federal Government would give up the withholding tax it is taking out of the salaries of Federal employees and the other workers of this Nation, they would soon be able to build their own homes and own them where they please, select their own architect, and select their own contractor. This would give them some independence and get away from regimentation. If my bill is not substituted for H. R. 4009, then the Federal employees and the employees in industry can expect an increase in the withholding tax.

I am sure most all of the Members have traveled through Chicago. If you have not, when you do look at the Federal homes built by the Federal Government along the railroad tracks where there is a train every 5 minutes. It seems they want to kill the babies before they are born. That is not democracy, that is not permitting the individual home owner to select his own location. I can guarantee you no person who wants a home would select a site near a railroad track.

If it is his own home he takes an interest in seeing how it is built, which is also important.

Then we exempt these homes from taxation for 20 years until they are paid for. This will permit a person who wants a home to pay for it. We limit the provisions of the bill to individual homes, but we provide, also, you can have cooperative homes. A unit can be owned by an individual along the lines that apartments in Tilden Gardens are owned in Washington, D. C. You can buy a home there and it is as much yours as if you built it out on the prairie. The particular unit is yours.

We provide under such conditions a group of people can get together and build an apartment building of their own, have their own units and pay for it by lesser interest, by being tax exempt until the home is paid for.

We all believe in homes. Homes are the stability of our Government. If there ever is any danger of either communism or fascism in this country it will be the result of the lack of homes.

I will say frankly to any Member on this floor who owns a home in his city or town, if you were the only one that owned that home you would not be the owner of it very long. If the rest were all tenants, they would see to it that you also became a tenant.

The thing in favor of this bill is that we have a splendid example of how it works. The Federal Land Bank has been a success. I will admit that sometimes they foreclosed before they should, but we here in Congress can stop that. And, I want to say also that the loans made during the depression to the home owners in Chicago and elsewhere is what saved their homes, because I remember the time when I was called to Chicago to save several thousand homes. We succeeded by putting in a bill to Congress; that is all we had to do. We did not have to get it passed. The very fact that the bill was introduced restrained the bankers that wanted to foreclose.

Now, I have letters in front of me and I will just read a few excerpts from them. Here is one from Fargo, N. Dak., my home town:

> DEAR MR. LEMKE: Thank you for your valued letter and copy of your housing bill 853. It is a great improvement over H. R. 4009.
>
> My reaction is as follows, which you kindly mentioned: Good points, no regimentation—to build where he pleases—have his own contractors.

Here is another one coming from a prominent citizen in my State, in the city of Mandan, in the western part of the State:

> Thank you for your letter of May 27 with reference to H. R. 4009 and for the copy of your bill H. R. 853.
>
> I have carefully read your bill and I like it as being American in its concept and because it provides an answer to low-cost housing for those who need help in building a home and at the same time preserves the traditional individuality of the citizen by giving him the responsibility that he should have in the direction of his own efforts and

desires and should preserve for him the dignity of his own freedom of action.

I am going to recommend consideration of your bill H. R. 853 to other Members of the Congress in the hope that it will receive the attention that I believe it merits and that it may be a means to the solution of this angle of the housing problem.

In conclusion permit me to say that I feel this bill meets with the present requirements and will make home owners in place of more tenants, and it will help the public welfare of this Nation not by giving things but by making the individual, at least, protect that which he gets and to pay for it under terms and conditions that would put it within his reach.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. SPENCE. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Chairman, from the hearings before the Banking and Currency Committee and from the record of testimony that has been built up by the Congress during the 5 years of study it has given to the housing problem, we could expect to have available to us today as we consider the Housing Act of 1949 expert criticisms and constructive suggestions from those who are engaged in housing construction and finance.

Certainly there has been no lack of opportunity. Witnesses purporting to represent all phases of the housing industry, from the producers of building materials to home builders and mortgage lenders, have appeared before congressional committees during the long consideration of this legislation, not once but many times. Their testimony fills hundreds of pages of printed committee hearings.

In all this testimony, however, we have not had the kind of constructive criticism that would be helpful to this Congress in its efforts to grapple with this housing problem. What we have had, instead, are dogmatic broadside attacks on the substance of this legislation which has been developed after so much study and consideration—attacks which have disregarded the well-documented facts and attacks which have disregarded the critical housing needs of the American people. As these witnesses have appeared, one by one, before our committee, the voices and the words have differed but the arguments have been so similar I could repeat them in my sleep. If, anywhere, in all the industry testimony, there were any constructive suggestions, their point was completely submerged in the outpourings of distortions and misrepresentations.

Let us look at some of these arguments and the facts regarding them.

There is the argument that this legislation is not needed, that private enterprise is fully serving all housing needs. This argument completely ignores the fact that over 6,000,000 families in our cities and towns, and many farm families live in slums or other bad housing because they can afford nothing better. It ignores the hundreds of thousands of families, many of them headed by veterans, who cannot establish homes of their own because they cannot afford the prices and rents at which houses and apartments are available. It glosses over the fact that the rate of housing production is declining not because these needs are not still urgent but because people cannot afford to purchase buildings when private builders insist upon making exorbitant profits.

The facts are that only through public assistance such as that proposed in this legislation can the needs of slum dwellers and other low-income families living in bad housing be served; that only the kind of a research program authorized in H. R. 4009 offers real hope that private enterprise, through lower costs, can broaden its markets and expand its production in relation to the needs of the people.

Then there is the argument that low-rent public housing will not serve poor families, but will compete with private enterprise. This argument ignores the fact that in the present low-rent public-housing program, the median income of tenant families last year was $1,884 and that of families admitted to the projects last year was $1,481—families who obviously cannot obtain decent housing in today's market. It ignores the several safeguards contained in H. R. 4009, including the requirement that rents charged families in public housing must be at least 20 percent below the lowest rents at which private enterprise, in the locality, is providing a substantial supply of decent, safe, and sanitary dwellings. Of course, if the real-estate lobby is concerned with protecting those who exact a profit from slum housing, what has been said is true. This program will compete with slum owners, and I think it should.

There is also the charge that under this program $15,000 houses will be built for low-income families. That argument completely overlooks the fact that the $2,500 per room construction-cost limit would be approached only in a few of the highest cost areas, that the general limitation is $1,750 per room and that there are other requirements in the bill for economy and simplicity of design and construction. Never mentioned by these spokesmen is the good record of local housing authorities in the past of building public housing well below the maximum limits.

There is the additional argument that slum clearance and housing are the jobs of the cities and States. Completely overlooked is the fact that local public agencies established locally under State laws will do the slum-clearance and public-housing jobs under this bill, that the Federal Government's role will be to supply the financial assistance which past inaction and the overwhelming testimony of mayors, city officials, and others clearly demonstrate is necessary. This argument completely glosses over the fact that in a national economy, the States and cities are unable to tap taxable sources of wealth sufficiently to finance these essential services, even if they have the constitutional or legal authority to do so.

Now I come to the patronizing concern which these industry representatives have for the costs of this program to the Federal Government. We have been told that this bill will cost sixteen to nineteen billion dollars. Actually, the out-of-pocket to the Federal Government over the whole period of 40 years will probably not exceed $10,000,000,000 or an average of only about three hundred million a year. But these people never tell you that even their exaggerated estimate of the cost of H. R. 4009 for housing, which is of such vital concern to the internal security and well-being of the Nation is little more than we propose to appropriate in 1 year in military expenditures to protect us and our fellow democracies from potential outside enemies. And while they make every effort to sell you a house on the basis of its monthly costs, they seldom seem willing to talk about this bill on the basis of annual expenditures, on the basis of less than 1 percent of the annual Federal budget or 1 day's cost of the last World War.

And then we hear of this bill in terms of a gigantic Federal housing program, of Federal control and Federal dictatorship. Industry spokesmen somehow never seem to remember that the slum-clearance and public-housing programs are initiated and carried out by locally appointed local public agencies with the approval of local governing bodies, and that no local community is required to accept the Federal assistance which would be made available. They always overlook the overwhelming evidence from local officials that the present system of financial aid for public housing has worked out satisfactorily and that these same officials have pleaded for the additional assistance which this bill would provide. They never seem to remember that the results of the research program authorized under this bill will be available for industry, and for the local communities, to use only as they wish.

And then we come to the argument, well covered with mildew, that this legislation embarks the Nation on a program of socialism and communism. That puts a new political label on the 57 Senators—33 Democrats and 24 Republicans—who voted for the similar Senate bill and the 18 additional Senators who were paired for or announced for the bill. Those who put forward this argument would have you believe that assistance to local communities to clear slums and provide decent homes for low-income families is socialistic, but that underwriting the risks for billions of dollars of private construction and financing, as in the FHA and GI programs, is not socialistic. They would have you believe that public housing is socialistic while public schools, public roads, public water and sewer systems are not.

I ask the Members of the House whether they have found anything in these arguments which would help them work out a solution to the slums, to the bad housing conditions in cities, towns, and farms, and to the problem of housing costs. After listening for hours to these industry representatives, I am forced to the conclusion that their only purpose is to oppose and obstruct, that they are more interested in maintaining scarcities and high prices than in working out the

housing problems of millions of Americans.

As further evidence of that, I direct your attention to an editorial entitled "Stop the Public Housing Racket" in the May 16 issue of Headlines, weekly publication of the National Association of Real Estate Boards. The editorial was signed by Herbert U. Nelson, who for many years has been the principal paid executive of this association.

Mr. Nelson, of course, asked his members to write, wire, or telephone their Congressman to vote against this bill. He also announced that if this bill passed this organization would take immediate steps to seek its repeal or drastic amendment.

But also in this editorial Mr. Nelson, referring to H. R. 4009, said:

> The Senate version of the bill was sponsored by 11 Republicans and 11 Democrats and has not, therefore, even the excuse of partisan advantage. It is political racketeering by power-hungry politicians who hope to pick up or control votes here and there.

I repeat those words, "political racketeering by power-hungry politicians." In all the words of abuse which have been applied to this legislation, I have never read anything so contemptuous of the 75 Members of the Senate, Democrats and Republicans, who voted for or were paired or announced for this legislation; of the Members of this House who are going to vote for H. R. 4009; of mayors and other local officials; of all the major veterans' and labor organizations, the church groups—Catholic, Protestant, and Hebrew—the women's organizations, and all the others who have supported and worked for decent housing.

Mr. Chairman, each Member, after consideration of all the facts presented in this debate or otherwise available to him, has a right to vote on this legislation as he sees fit; but I hope no Member of this House will permit himself to be influenced by the dogmatic and unsubstantiated attacks of the real-estate lobby and particularly by so contemptuous an attack on the motives of those of us in Congress, and of conscientious public officials and citizens throughout the country who feel that the enactment of H. R. 4009 is one of the most important things that could be done for the welfare of our people.

The CHAIRMAN. The time of the gentleman from New York [Mr. DOLLINGER] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, I appreciate the time yielded to me by my friend from Michigan [Mr. WOLCOTT], who yielded me this time despite the fact that he knows I am opposed to his views on this legislation. I am always a little uncomfortable when I am opposing the views of the gentleman from Michigan, because he is so often right. I think he is one of the soundest and ablest Members of this House.

Mr. Chairman, I am for a moderate plan of Federal assistance looking toward the solution of one of our foremost social problems, adequate housing for the American people.

I am not going to deal with this question in glittering generalities but on the basis of the definite and favorable experience of an American community with public housing.

The attack against housing has been twofold:

First. That it is socialistic; second, that it is expensive.

Mr. Chairman, in our complex society we are very frequently confronted with problems which a completely private enterprise system does not solve. If we relied wholly on private enterprise, we would say to our friends in the West, "Build your own dams and flood-control systems, or take the consequences." We would certainly say to our friends in the West and South, "Sell your wheat and cotton and corn and tobacco in a free competitive system for what it will bring, and do not ask the Federal Government to engage in any form of regulation for your welfare, or for the national economic welfare."

Indeed, if we carried this theory to an extreme, we would demand that the neighborhoods build their own roads and say, "If your house burns, put out the fire, because we consider that we should not extract contributions from society generally to establish a fire department at the common expense and for the common good."

Nearly every cooperative enterprise maintained at the general expense is a social movement. Socialism as we understand it is not a cooperative movement for the common good, but is a means of government control of the tools of production. Public housing is not socialism; and, if it is, we had better repeal about 50 percent of the statutes that have been passed in the last 40 years.

Nor can I understand the philosophy of those of my colleagues who will cheerfully vote the use of American money to build roads, bridges, and public works for the economic and social benefit of the people of Greece, and who raise the cry of socialism only when there is a program to benefit the people of America.

And with respect to economy, Mr. Chairman, economy as I understand the word, is to fight against the extravagant waste of public funds, and not to fight against the use of public funds for great social benefits. On the issue of economy, I will match my voting record against that of any Member of this House. Had my votes prevailed, our budget would be billions less than it is now. But there again, I cannot understand the philosophy of those who sat in this House a few weeks ago and rushed through appropriations of approximately $25,000,000,000; who will build a $65,000,000 home for the United Nations; who will on 10 minutes' consideration vote $16,000,000 for the relief of Arabian refugees; who would find no limit in their generosity to improve the breed of livestock, and yet who would choke over a measure which, I believe, will have a great deal to do with the improvement of the breed of human beings here at home.

Despite my promise not to discuss the general aspects of this question, I find that I have done so. Let me, therefore, quickly proceed to what actually has happened in a public housing project with which I am familiar.

The city of Atlantic City, which I represent, is not only the great seaside resort with which many of you are familiar. It is not only a famous boardwalk bordered with luxury hotels that you gentlemen see on your visit, but is at the same time a typical middle-sized American community. Atlantic City has two public housing projects. Public housing, Mr. Chairman, is not new despite the present outcry. It has been tried here and there since 1937. One of the projects is named Jonathan Pitney Village. This is a 333-unit residential construction, and I know you will be interested to learn that the rent-collection loss from April 1941 to the present date amounts to three one-hundredths of 1 percent. The other is called Stanley S. Holmes Village, with 277 dwelling units. That does even better. The rent-collection loss there has been one one-hundredth of 1 percent.

Mr. Chairman, many people seem to feel that public housing is another giveaway scheme. People pay rents for these dwellings, fairly substantial rents. And I doubt if any landlord can show a better percentage of rent collection than the figures I have just read.

Another false idea is that the maximum subsidies provided in the bill reflect the real expenditures to be made. It is our experience in Atlantic City that the maximum subsidy is never required. In one project, for example, the only year that the maximum subsidy was ever required was in the first year of operation, 1941–42, and that because the project was not opened until the year was half over. Indeed, in that project the overall figures will show that $157,000 less than the maximum subsidy was required.

Now, Mr. Chairman, here is the interesting and significant fact. Out of the maximum subsidy which was allowed, the Atlantic City housing project paid interest to the Federal Government on its bonds in the amount of $388,800. Deducting the interest that we paid from the total amount of Federal subsidy authorized, we can sum up that operation in this fashion:

Jonathan Pitney Village has operated 333 dwelling units of a low-cost rental housing project from 1941 to the present date. It has taken hundreds of families out of slums and restored them to self-respect and decent living conditions. The social good that it has accomplished to a degree can be actually measured in our police records, and even fire records; and the total net cost of this project to the Federal Government over an 8-year period was $78,000.

Let me quote from a statement made by Robert A. Watson, the executive director of the Atlantic City housing authority. Mr. Watson says:

> It is a recognized and acknowledged fact by all groups conversant with family problems that the crying need for additional low-rent public housing is one of the most vital problems facing our community today. As to the record of the present public housing in this community, the housing provided in Atlantic City under this program for the past 12 years offers tangible evidence of what public housing can do for low-income families in bettering their morale, incentive for improvement, and citizenship. Low-income families who needed assistance in meeting

their housing need have amply repaid their use of public subsidy by the improvement in their family life, their greatly benefited health, the reduced incidence of juvenile delinquency, police and fire calls, and the self-evident fact as recognized by the school system, that the children of these families have shown such marked improvement after being removed from slum conditions into decent housing.

Incidentally, Mr. Chairman, let me inform the House that Bob Watson is a conservative Republican businessman, and is about as far from a Socialist as anyone I can think of. The housing commissioners there are highly respected citizens of the community. They are business people who thoroughly believe in the American system. They have made personal successes on the American system, and they are running this Housing Authority on an American system.

Mr. Chairman, the Mayor of Atlantic City is the Honorable Joseph Altman. Mayor Altman is a lawyer, a life-long Republican, and I would certainly class him as an economic conservative. Let me quote briefly from a statement favoring public housing which the mayor recently made:

It is self-evident that private enterprise cannot profitably provide decent housing, new or old, for all of these families in Atlantic City at rents or prices within their ability to pay.

This is not only true now under the present high costs but has always been true to some extent. As has been proven, it is economically unsafe for private enterprise to provide such housing. The evidence is clear in the number of families now living in substandard housing who cannot afford to pay a sufficient rental for decent housing, which would enable private enterprise to realize a reasonable return on its investment. It is only just and equitable that private enterprise is entitled to and should make a profit on housing which is built at a capital risk. However, our present housing conditions are ample proof that low-income families cannot afford to pay adequate rentals which would encourage private enterprise to build for these groups. This fact has been clearly evident for several decades as well as now. As a consequence, Atlantic City shows increasing expansion of blighted areas and slum dwellings.

The Mayor knows, and everyone there knows that the need continues to be acute. There are 1,200 applications on the waiting list of these projects now. It is certainly not true, so far as this area is concerned, that the housing shortage has ceased.

Mr. Chairman, I personally have been a conservative all my life. I represent a solid district. My people believe in the American system through and through. There is not a handful of radicals in the entire area, but they are willing to open their eyes to changing conditions and changing methods, and so am I. If I thought that public housing would do irreparable harm to private enterprise, or that it was even a small step toward state autocracy, I would oppose it bitterly and persistently. I do not think any such thing. It has been operating in my area for a decade, and I assure you, Mr. Chairman, that the American way of life, and the true principles of our Republic, have been helped, not hurt by the operation.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. MURRAY of Wisconsin. I call attention to the fact that according to the discussion of the previous speaker we have $15,000,000 provided by the Bankhead-Jones Act so that we can get tenants on the farms and in this bill $5,000,000 a year, or $25,000,000 to build houses for the tenant farmers that are renting farms. In other words, we are driving two horses—trying to get people who are tenants to be farmers owning their own farms and in this legislation we are building houses for the people who own the land for their tenants to live in; is that right?

Mr. NICHOLSON. I think the gentleman from Wisconsin is right. The reason I am against this bill is that I think it sets up another bureaucracy in this country and whether a bureaucracy leads to some other -ocracy or -ism I am not interested. But I do know that the people who elected me and who talked with me on the street said to me, when I was coming down here, "For pity's sake, try to do away with these bureaucrats in Washington who are continually asking us for triplicates of this and triplicates of that and keeping us in such a state that we do not know whether we are obeying the law or not." It seems to me that when we discuss matters of importance like this, there is no necessity for accusing any of you of being Socialists or Communists. We should look at it as an economic measure. I do not think anybody objects and I feel that everybody is willing to do away with the slums in his city or if he happens to have them in his town. But there is a lot more in this bill than just the question of slums.

For instance, the gentleman from Alabama had just been talking about the poor farmers. It is my understanding—I do not know, I may be wrong—that farmers are the most prosperous people in this country today, and they have about one-fifth of the mortgages that they used to have through the years. Therefore, they are five times better off today than they ever were before. I do not object if we can find a thousand sharecroppers and farmers who cannot use their worthless land and give them $500. But there must be 100,000 of them. What are you going to do with the other 99,000? Why, it would take about 40 or 50 years, and by the time we got around to each poor farmer it would be longer than that. His grandchildren might come under the bill.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. JONES of Alabama. The situation would prevail with every other appropriation we make, as far as being neglectful of some Members. Under the Bankhead-Jones tenant purchase plan we only appropriated $15,000,000, the gentleman will recall. So that does not make a sufficient amount of money available to every farmer who wants to own his own farm, but it is a step in the right direction.

Mr. NICHOLSON. That is right. Everybody realizes that if we pass this bill, all it takes care of is a small percentage of the people. Next year, we will raise it, because there will be a clamor, that some fellow's neighbor is getting something for nothing and he will ask for it, too. That is what this bill does. It destroys the initiative of the people of the country. It destroys their want of a home for themselves. As long as the Government or the city or the town or wherever they live furnishes the money, they will never build a house themselves. There will always be tenants. I think that in this body itself today and through the years a great many of the Congressmen, probably over 50 percent of them, sprang from a poor beginning, and they did not own a house but they were tenants. They got away from it because they wanted to build a home for themselves. Under this kind of a bill there is no incentive for anybody to build a house.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. NICHOLSON] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. NICHOLSON. This bill gives the Commissioner of Agriculture some more power. It puts him in the building business. We already have given him the Commodity Credit Corporation, put him at the head of that. He is at the head of the Department of Agriculture, which spends over a billion dollars. It seems to me we are loading the poor man up with too much work when we attempt to put him into the housing business. It puts me in mind of Mr. McAdoo, when they made him Director General of the railroads, when he was Secretary of the Treasury. When Mr. McAdoo handed the railroads back, the railroads were in debt $4,000,000,000. They let the railroads run themselves this time and every one of them was rehabilitated and they all came out with a lot of money in their pockets.

Mr. JONES of Alabama. Will the gentleman yield again?

Mr. NICHOLSON. I yield.

Mr. JONES of Alabama. The gentleman would want to clothe the Secretary with good business practices as far as fulfillment of the obligation of the borrower to exercise such practice that the farm would make a return to where he would be able to pay for it? The gentleman would want that provision in the bill, would he not?

Mr. NICHOLSON. I should think that the Commissioner of Agriculture would let the banks handle it, or let this other department handle it.

Mr. JONES of Alabama. Of course, the gentleman recognizes that fact that if the borrower expected to borrow money from a bank, certainly there would be inquiries made as to how he would use that money and, in addition, the banker would pursue it to the end to see that his investment was kept intact.

Mr. NICHOLSON. Yes.

Mr. JONES of Alabama. So you are charging the Secretary with the same responsibility.

Mr. NICHOLSON. This bill gives to the Commissioner the right to hire engineers, the right to hire field secretaries, and the Lord only knows how many he will hire. He will hire all the Appropriations Committee will give him the money for.

Mr. JONES of Alabama. The gentleman is a member of the committee, and he heard Mr. Lasseter testify that in his opinion it would not call for an additional 10 percent.

Mr. NICHOLSON. I asked that question of everybody who came before the committee.

Mr. JONES of Alabama. The gentleman himself asked Mr. Lasseter that question.

Mr. NICHOLSON. Yes, and I did not get any satisfactory answer.

Mr. JONES of Alabama. I will be glad to read it to the gentleman.

Mr. NICHOLSON. Well, it did not satisfy me.

Mr. JONES of Alabama. Perhaps the gentleman could not be satisfied.

Mr. NICHOLSON. I want to call the attention of the Members of Congress to the fact that cost apparently does not mean very much. But we are going to be called upon to appropriate $1,500,000,000 to arm Europe. I assume you will vote it. You have voted for everything that comes up here. Then we have $500,000,000 coming in here for health and education, and you cannot vote against that, because the poor children will not have any education.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WOLCOTT. I yield the gentleman two additional minutes.

Mr. NICHOLSON. Mr. Chairman, in another couple of years it will be a billion; then it will be 2 billion; that is how these things work. I have seen them work for 25 years in my State government; and the Federal Government is no different. Can we keep on appropriating money this way? There is a limit somewhere. Does anyone argue to the contrary? There is no one who does not know what happened to the franc, the mark, the yen, the sen, the lira, and many other monetary units in many countries; they fell so low that it took a wheelbarrow load to buy a pack of cigarettes. Our dollar can go down, and you know it can; its value is but 50 cents today. So you had better watch and be careful.

Mr. Chairman, it is not a question of money that is required to clear these slums. Let us take care of them at the city level, at the State level, in the areas where we live; let us not go down to Washington and have them put a little dribble into it, because that is all there is here. What they are asking you to do is merely to build 100,000 houses when private industry built a million last year. All they want to do is to get their foot in the door; then they will tell you what to do.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. MULTER. If I follow the gentleman's argument, I think he would advocate that we curtail our public-works program and do away with the Federal building of highways.

Mr. NICHOLSON. Listen! We assess a tax of a cent and a half against every gallon of gasoline that is used in this country. I do not know how many hundreds of million of dollars it amounts to, but that is where we get that money; we do not get it from a direct assessment on everybody; we take it out of the man who uses the roads. What is the gentleman talking about? Does not the gentleman know that?

Mr. MULTER. Is the gentleman sure about it himself?

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, we have an unfortunate habit—it has been more and more apparent in this session—of judging votes of this kind on the basis of some symbol: We are for housing, or we are against housing; we are for education, or we are against education. That is the pressure that is placed upon us, and that is the report that goes out from Washington. If you will read the Constitution of the United States, and if you will read the Federalist papers which described the discussions incident to the adoption of the Constitution, you will find that this was intended to be a body established under the form of government known as the republic. Representatives are supposed to come to Washington and decide all issues on what is actually printed in a bill, not whether, in this instance, we are for or against Federal housing.

I desire, Mr. Chairman, to speak to you about one or two details which are printed in this bill. This bill, for the first time, departs from the Constitution of the United States in an appropriation matter, and says that it is not necessary to bring the expenditure of the taxpayers' money to the Committee on Appropriations. This says that the money shall be voted by the Congress in a bulk sum, that a demand shall be drawn upon the Treasury of the United States by the Housing Administrator, who is an appointed official; and that, therefore, no congressional committee shall have a check, an analysis, or a control over the expenditure of the funds. I suggest to you that whether you be for or against housing, you cannot, if you believe in representative government and the protection of the taxpayers' money, vote for this bill while that provision remains unchanged in the bill.

If you believe in constitutional government, if you believe that the reason this Nation is strong is because of our form of government, because of our checks and balances, the provision that the raising of funds must start in one House, that each House must check the other back and forth, then that provision of the bill alone should defeat it. That is very important. Only once before, in my knowledge, has the Congress been asked to do anything which approached this. That was in connection with the Bretton Woods agreement, when we were asked to vote money in a lump sum to be expended without further check by the Congress; but at that time it was placed in the hands of an agency which was a bank and which gave the lending of that money the same analysis and the same examination a bank places upon the lending of its own money. That was not a good provision then and I think this provision is very bad.

There are two minor provisions in the bill, perhaps minor in comparison with the other amendments, and since most of the other features have been pretty thoroughly discussed, I will confine my few remarks to these.

Section 208, introduced as I understand it without a great deal of discussion, or put into the bill without a great deal of discussion, has to do with the transfer of the operation of labor camps. These camps are presently in existence and are being operated. The original intent was that these camps should be for agricultural labor. May I say with great earnestness to you gentlemen who argue whether a country background or a city background is better in the United States, that you will not eat in either the country or the city unless you recognize the necessity of harvesting crops. The reason we have been able to maintain the excellent standard of living in the United States is because of the techniques that have been applied to the production, to the harvesting, and to the marketing of food, which makes it possible for us not only to feed ourselves but to feed the people of other countries.

It is absolutely necessary that this housing be maintained for agricultural labor. This amendment says it is no longer necessarily farm labor housing. It is to be placed in the hands of the Housing Administrator, although in many areas of the United States today this housing is managed by nonprofit associations of farmers. I am of the opinion, first, that a point of order might lie against the entire section, but I would rather have it stand or fall upon its merits. I remind you that the President of the United States has within the past few days signed a bill passed by the Congress on this subject. It is my humble opinion as one Member that this section should not be in the bill. But if it is to remain here, if it is not to be taken out, and I would vote to take it out, then by all means it should be so amended that this housing remain farm housing and that the nonprofit associations of farmers in those areas where they presently operate them should continue to operate the projects as they do now for the benefit of the farm laborers and for the benefit of agriculture.

In the latter part of the bill there is one amendment which I say respectfully to the Committee on Banking and Currency contains a gimmick that I do not think they understood. I am not talking about the general provisions in the amendment, which begins on page 78, section 509. This was presented to

the committee as an amendment affecting District of Columbia participation. I have no intent to argue that point. That may be good, I think probably it is good, but there is in that amendment a gimmick and that is the bypassing of the Subcommittee on Independent Offices of the Committee on Appropriations.

If you will turn to the hearings on the third deficiency appropriation bill, which comes up for consideration at 4 o'clock tomorrow afternoon, you will see that I referred to the matter there. I asked the District agency to say again that they have not furnished the subcommittee with information which the subcommittee requested for three successive years.

Once, when we refused to give the agency money without additional information, they tried to get it out of the Senate, and the Senate refused to give it. The second year, when we refused to give the money without the information for which we asked, the agency went to the District Subcommittee and asked for it there and were refused because of lack of jurisdiction. This year there has been slipped in between the lines of this amendment a provision by which an agency denied funds by one committee of the Congress can, by a circuitous route, get those funds from some other agency, which would leave the Congress no recourse but to replenish those funds. Last year seven of us on the committee, of which the gentleman from Massachusetts [Mr. WIGGLESWORTH] was chairman, were in agreement, and this year, with the gentleman from Texas [Mr. THOMAS] as chairman, five of us are in complete agreement and will offer an amendment which will not change the question of District of Columbia participation but will say that it is not the intent of the Congress of the United States that any agency of government shall bypass a subcommittee which is trying to secure information for which that subcommittee has asked for 3 years and been refused.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Chairman, I appear here to say a few words in defense of this act not so much because it is a national housing act but, just as important, because it is a national defense act. The Members of this House who voted in 1938 and 1939, starting with appropriations for the Army, the merchant marine, the Neutrality Act, the first draft, the extension of the draft, and finally the war, know that the many slums were created in this country through the passage of some of these defense acts. When the early settlers of the West built a fort, no matter what part of the country it was in, with a number of cabins inside of that fort, it was done for defense purposes. That is where they stayed during the night, and in the daytime they went out and planted their crops, but after they were safe and the Indians were driven farther westward, it did not take them long to get out of the slums of that day. They knew that they were not any good. The ones to benefit by this bill are not only the people living in the city slums. They are to some extent, yes, but not nearly as much as the farmers. The farmer is going to get, let us say, eight-tenths of the benefit of this bill. Why? Let me tell you. In the last year of the war we spent $70,000,000,000. The gentleman from California [Mr. PHILLIPS] who just preceded me, said that we do not eat unless the farmers can harvest their crops. Well, during the war we voted on the floor of this House not to draft any more farm boys, because we had drained the youth off the farms and the crops could not be harvested. What happened? Did we have slums in the country? Sure, the farm boy walked into a draft board, and all the doctor had to do was to take a good look at him; he was well fed and he had rosy cheeks, and unless he had club feet, he was immediately put into the Army. But, not so with the boy from the slums. If he finally did get into the Army, they put him in a hospital, after which he was of very little use to the Army. I say to that extent the farmer benefited.

I say also that, if we pass this housing bill and give relief to the families on the farm, thousands of their sons can be kept there and not shot into the next emergency.

We were shy of manpower during the last war. They were shooting the 18-years-olds across the ocean, those that had only had 3 months' training, those that had the health to get into the United States Army. We spent $70,000,000,000 in 1 year. Can we not spend a few billion dollars to correct that situation and give some degree of security to the children of today?

I learned a lesson at a naval base after the end of the war. The naval authorities these were giving a demonstration of jet planes for the Congressmen on Navy Day. I happened to be sitting at lunch next to the commandant of that base. I said to him, "Of course, you are for compulsory military training that we are talking about now?" Surprisingly, he said, "No." I said, "Why?" He said, "After lunch I will show you why, and where you people in Congress are to blame."

He showed me three hangars there for housing airplanes. Each one of the hangars cost $3,000,000. Then he took me over and showed me where they housed the boy that flew one of the planes, the one who was charged with the responsibility for that plane and the safety of all the crew. They housed him in what they called "Tarpaper Alley," where he was sweating all day and all night in the hot weather, just because the Congress of that day would not appropriate enough money to build a good house.

We air-conditioned the "Big Mo," as we used to call it, the battleship *Missouri*. We have everything in there cool and fine for the guns, but very little was done for the boys who man the guns.

That is why I am in favor of this legislation. I do not think that a man today in defense of doctors should be for socialized medicine. We should have gotten rid of the slums long ago. But we will be in here in a couple of weeks calling for legislation to bring about socialized medicine. It will have quite an effect on this country and it will cost billions and billions of dollars, if passed. If we had just eliminated the slums, that is all we had to do. It is not such a tough job, when we spend a couple of hundred billion to destroy, to make war, to defend ourselves, to find the right way of peace. Our forefathers found that out when they got out of the fort. Why cannot we find out today that the answer to disease, broken homes, divorce, insecurity, and communism is to build houses for our young people, to eradicate slums in our cities, and to give hope to these citizens of our great country who look to this Congress for aid and assistance to solve this problem for them? The Congress must face up to its duty and recognize its obligation to pass this measure now before us. Let us remember these forgotten people not tomorrow, not next week, but today.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, a cargo of strange and wild-eyed animals—some only a few days out of their jungle habitat—arrived at the United States quarantine station in Clifton, N. J., in my congressional district, on Wednesday of last week. There were 203 in number, to be exact, and they had made their trip from the Belgian Congo some 7,500 miles away by plane; their final destination, the Bronx Zoo. The quarantine station, embracing approximately 50 acres, strangely enough is located in the geographic heart of one of the finest and fastest growing communities in New Jersey and consists of a group of well constructed stone and brick buildings.

Among this shipment of animals to be given rare shelter and food at the station are okapi, duikers, chevratians, monkeys, flying squirrels, bush-tail porcupines, lizards, and horned vipers.

Dr. F. L. Herschenroeder, superintendent of the station, was quoted last week as saying that he was having quite a time with the new arrivals because "they've only been out of the jungle since Monday and they are just a bit wild." The animals, he said, were on a diet of bananas, sweet potato leaves, carrots and peanuts, and he emphasized that the latter must be roasted. "That's the way they seem to like 'em," Dr. Herschenroeder said, "so, for a while, we are going to give them whatever they like."

To many people in my area, veterans and others who today are without proper shelter, this story will not be so inspiring, so intriguing. But it is true.

Senator H. ALEXANDER SMITH and Senator ROBERT C. HENDRICKSON, of my State of New Jersey, voted for the Federal housing bill now before us and none dares to call them communistic or socialistic inclined. Yes, they were of the majority when the Senate approved the measure by a 57 to 13 vote. Nor is anyone here going to indict the American Legion, the Veterans of Foreign Wars, the National Catholic Charities, the Protestant groups, and labor organizations, supporting the bill, as communistic or socialistic.

The legislation before us will have its principal economic effect—as distinguished from its social effect—on one of the basic segments of our national economy, the construction industry. In the past, this industry has been highly susceptible to changes in the economic climate. It is a bellwether industry. Its high points rise above the peaks of other industries. But in its bad days, it usually drops to lower levels than other industries. Furthermore, its slumps come early, forewarning of coming declines in general economic activity. These characteristics of the industry point to the important role it plays in our national prosperity.

I raise this subject now because I know all of you have read the signs on the horizon that our postwar boom is beginning to go soft. Probably I need not remind you that the May figure for unemployment was set at the disturbing total of 3,289,000. The Bureau of Labor Statistics tells us that nearly a million more persons were jobless in May than a year ago. Only last Saturday, the Associated Press reported the widespread feeling among leading Government economists that unemployment would not stop rising when it hit the 4,000,000 mark. Indeed, if present trends continue, the jobless will number 6,000,000 in the last quarter of 1949, and reach nearly 8,000,000 by the middle of 1950.

These conditions have brought cries of despair from the chronic calamity-howlers. I do not share their view that disaster lies just ahead. I have faith in the vitality of America. My faith does not blind me, however, to the realities of the situation. I represent an industrialized district in the State of New Jersey, one of the States hardest hit by the current increase in unemployment. The other hard-hit States, I am told, are Pennsylvania, Illinois, Massachusetts, Michigan, New York, Ohio, and California.

It seems to me that at this moment we must be concerned about the deflationary pressures that are obviously at work. Because we know now that a high level of construction activity always goes hand in hand with general prosperity, we would serve our country well by giving favorable consideration to a measure which would bolster that mighty stone at the foundation of our well-being.

The housing bill contains proposals which would have that salutary effect. The slum clearance and urban redevelopment plan contained in title I would be used to clear away the vast areas in our cities that are now left to the wasteful ravages of decay. With the help of limited Federal funds, it would write down the cost of this land to its true value. The process would release highly valuable tracts of land within our cities and make them available for new development, primarily through the enterprise of private businessmen.

Do not be misled by those who claim that the land thus made available would all become sites for public housing projects. This is not the case. The bill is very specific in providing that the reclaimed areas shall be redeveloped for their most appropriate uses. That would include new commercial areas, new industrial sites, new private residential developments, whatever might be locally determined to the best use for the land involved. However, it was used, this land would be transformed from a liability to the city into an asset, a new basis for wholesome and healthful civic growth.

The public housing provisions in title II likewise would be a stimulant to the construction industry. All the building contracts for public housing projects would go to private contractors employing local labor. The benefits from this work would flow through the whole fabric of the community. They would go to the materials suppliers, the materials producers, and, through the wages of labor, to businessmen of all lands—the grocers, the butchers, the landlords, the bakers, the clothing merchants. It would give new strength to the sinews of our economy, just as all productive activity does. There is also in the substitute bill, which I support, the addition of a program for a privately owned housing for families of lower income who constitute 20 percent of the almost 40,000,000 families in the United States. Ten Republican Members pioneered this provision for such families who are ineligible for public housing, yet cannot afford the private housing now offered for sale or rent. They are the families in the "gap" and include many veterans.

I mention these considerations because I feel they are in danger of being overlooked as we make our decision on this historic measure. In calling attention to them, I do not intend to minimize the social benefits that would result from these programs. I am mindful that they spell a new lease on life for our blight-stricken cities. I know it means a chance to live in a decent home to families who have never known anything better than the degradation of the slums.

What public housing can mean to a family of low income is no mere theory to me. We have seen it work in one of the cities it is my honor and privilege to represent here. I speak of the city of Paterson, N. J. There we have a public housing project known as Riverside Terrace. It was built under the United States Housing Act of 1937. There 300 families who could not afford to rent the cheapest adequate homes available in the city have found a haven. They have modest accommodations suited to their needs and their incomes, something they had never known before. The city of Paterson has had an application on file in Washington for more than 3 years for assistance in providing 1,500 more units like those at Riverside Terrace.

The city of Passaic, which is also in my district, has yet to build its first public-housing project. But it, too, is keenly aware of its need for housing for its low-income families. It, too, has filed an application for 1,500 units. The need for them is desperate. The people of these two great cities are looking to us to help them solve a problem they cannot solve unaided.

I say they have waited too long. What manner of economy is it that permits the very heart of our cities to rot away before our eyes? What saving is there in allowing all new development to fly to suburbs, beyond the city limits, while the costs of running our cities rise and their revenues from taxable property decline? What good does it do to pinch pennies when children are growing to manhood in the slums, marked forever by the disease and frustration that flourishes there?

In the name of economy, we must act to rectify these conditions. We must act to save our cities and to rescue the young boys and girls who will be this Nation's future.

We have it in our power to do something constructive about these appalling things. It simply is not economical to delay. We cannot afford to wait longer. We have profit to gain here, in dollars and lives.

Mr. SPENCE. Mr. Chairman, I will not ask the next speaker how he stands on this bill. It would be quite unnatural and it would be a great surprise to me if he were not in favor of it, for his illustrious father devoted a great part of his outstanding life to the cause of human betterment and social welfare. It is a pleasure for me at this time to yield 5 minutes to the gentleman from New York, FRANKLIN D. ROOSEVELT, JR.

Mr. ROOSEVELT. Mr. Chairman, I had not intended to presume to speak in this Chamber for some time. But I beg your indulgence as I feel that I must speak out on this legislation because of my close association with its principles since the end of my service in the United States Navy.

As a member of many veteran and civic organizations, I have spoken on behalf of this legislation. As your newest Member, I come to you fresh from a campaign in which the good people of my district made it crystal clear that the uppermost question in the minds of all is the disgraceful housing shortage which blights our land.

I leave the discussion of the technical aspects of this bill in the capable hands of my colleagues who have lived with this legislation during the last several months and I will confine myself to my convictions on some basic aspects of the bill.

On Wednesday a bipartisan group of Members of this body briefly visited the cities of New York and Philadelphia to see at first hand the appalling contrast of the existing conditions and a few of the public-housing projects. This was not my first visit to slum areas, but I can assure you that in all my visits to refugee camps in the Middle East and in western Europe, I have never witnessed such inhuman sanitary conditions as exist in the slums within 220 miles of this Nation's Capital. One of my colleagues who visited the DP camps in Germany stated that none of the conditions he had seen abroad equalled those of the slums of New York and Philadelphia.

These are the breeding spots of disease, of child delinquency and of our crime rate.

When you talk of costs, think for a moment of the cost of this legislation as

compared with the ever-mounting expense to the American people of maintaining our tuberculosis hospitals, our insane asylums, our reform schools, and our prisons—a direct result of our un-American slums.

I can assure you that the children of the great Jacob Riis housing development in New York City will strengthen the fiber of our great democracy more than the unhealthy, the unhappy, and the inhibited graduates of our slums. I can assure you that the family, which is the core of our American society, will be a firmer bulwark of our cherished freedom when it is decently and respectably housed than when it is crowded into our squalid squabbling tenements.

And so, to those who worry about the cost of this bill, I simply say, we can no longer afford our slums and we cannot afford not to pass this legislation.

I have heard it said that this bill is socialistic, and that it will make political slaves of the people who live in the housing it will make possible.

Yesterday, I asked a young lady, who is a tenant of one of the New York City housing projects, whether she felt that she was in any way a ward of the Government or that her right to vote and to express herself was in any way controlled or directed by her Government. She looked at me almost incredulously and said "Why Mr. ROOSEVELT, that's a silly question. I am an American and I am and will always be just as free as any other American."

In my limited experience, I can remember that almost every legislation of recent years which has sought to serve the interests of the people instead of the interests of the few, has always been tagged by the same old gang as socialistic. I say simply that the vast majority of Americans who clamor for this legislation are not now and never will be socialistic. That the senior Senator from Ohio [Mr. TAFT] is not now and will never be a Socialist.

In short, the slums of America are breeding spots of communism, and in passing this legislation we will be striking a blow against socialism and communism and for our free-enterprise system and our American democracy.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROOSEVELT] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. Mr. Chairman, I have listened with a great deal of interest to my new colleague, who is my neighbor in New York, on the other side of Central Park. I heard with satisfaction his comments about slums, and the necessity for doing something about them. Let me say I am wholly in accord with him, and I think a great many Members of this House are, likewise, on that point at least.

Sometimes we learn something worth while from the newspapers. Sometimes we are brought face to face with realities from the headlines alone. For some 16 years the administration in control in Washington has operated on the simple principle that you can fool enough of the people enough of the time to continue to get yourself elected. No more perfect example of that and the practice of that principle can be found than in the field of slums and slum clearance.

Year after year delegations from Congress and elsewhere visit slums; they tell us that something must be done about it, and we all agree. This morning in the New York Times and other newspapers we read of another congressional visit to the slums, the slums of the great cities of New York, Philadelphia, and elsewhere. The unpleasant and the impossible living conditions were pointed out, and a demand was made that something be done about it. And yet, I defy any Member of this House to point to a single word in the pending bill that requires the clearance of a single slum. So far as slum clearance is concerned, this bill is a fraud, a delusion, a sham, and a complete deception of the American people; it is not a slum-clearance bill. So, let us get down to business, Mr. Chairman; let us face the reality. If the American people want slum clearance, if we must have some kind of housing action, if circumstances demand it at this session, then for goodness' sake, let us be on the level; let us give them a slum-clearance bill; let us give them a slum-clearance bill within the means of the taxpayers of the United States to pay under the present burdensome conditions in which we are living.

On the same page that told the story of the visit of the Congressman to the slums of New York, Philadelphia, and elsewhere, there appeared a story from the other end of the Capitol. I think it quoted the Secretary of State as asking for an additional billion and more dollars to commence rearmament of western Europe. Not far from that story, in the same newspapers was a statement of the recently retired ECA minister to England, T. K. Finletter, Esq., who had just left the White House, stating that Great Britain was in grave need and would need greater aid; in fact, in the last day or two there have been several inspired stories in the press indicating that there might be another serious economic and exchange crisis in Britain. All of which points only to greater demands upon the United States. In view of all that, in view of the prospect of growing rather than of declining economic burdens upon the Treasury of the United States, we have simply got to scrutinize all these new spending programs with the greatest of care; we have got to keep them to an irreducible minimum; we have got to authorize less money on some of our domestic programs than we might like to. There is not any likelihood of declining foreign demand or domestic military demand; the likelihood is all the other way. Somewhere the shoe has got to pinch. If national security is the basis of our foreign commitments, then the only place that we can exercise necessary caution and restraint is here at home.

Last January I introduced in the House a bill relating solely to the clearing out of slum areas and the construction of buildings in those slum areas for the uprooted residents. It is a straight slum clearance bill; it strikes at the very heart of this problem. It will channel such money as we spend to the most important, the most vital, and the most dangerous part of our whole housing problem. In amount, it will authorize grants to local agencies of $200,000,000 a year maximum for a period of 10 years, that is, a Federal total of $2,000,000,000, a very large amount, Mr. Chairman, even today, but not nearly as large as the astronomical commitments proposed by the Administration or committee bill. Moreover localities and States must put up $1 for each two Federal dollars. Thus the total aggregate amount of money made available under the bill would be three billion.

My bill is a moderate bill, it is a reasonable assumption of obligation over a period of 10 years by outright grant to local communities, to be matched by them for the purpose of clearing slums and the building of homes to take the place of the slum homes that are eliminated.

Mr. Chairman, I intend to offer this bill as an alternative or as an amendment to the existing administration bill. It meets all of the requirements of slum clearance; it recognizes the limitations imposed upon us by the enormous financial burdens to which the Government of the United States is inescapably committed, largely on account of the military and foreign aid accounts.

This bill limits spending to slum areas and nowhere else.

It offers an opportunity to Members of this House to vote for a careful, intelligent, reasonably limited, moderate slum clearance bill that will make a start on this problem, but will not commit the United States to the stupendous sum over a period of 40 years as the administration bill does.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from New York.

Mr. JAVITS. Has the gentleman made any estimate as to how many housing units can be constructed in each year and in all the 10 years under his bill?

Mr. COUDERT. That would depend entirely on the estimate you may make as to the cost per unit. If you take the cost per unit at $10,000, you will divide $3,000,000,000 by $10,000 and get the result over the period.

Mr. JAVITS. It is $3,000,000,000?

Mr. COUDERT. Three billion dollars. The bill requires a one-third contribution from the local communities and States, which adds one billion to the Federal two billion.

Mr. JAVITS. All of the money in this bill will be used to construct housing. I thought the gentleman said it was to finance slum clearance.

Mr. COUDERT. The money will represent the contribution of the Government of the United States to the local agencies for the purpose of accomplishing the rehabilitation of deteriorated areas and the construction of homes to take their places. How the money is used, what part of it is used for apartments or the tearing down of old apartments or clearing of streets is immaterial. It is the Government's grant or

contribution to the over-all ultimate purpose.

Mr. JAVITS. Will the gentleman say then that at the very maximum if not a penny were used for the clearance of slums out of the total sum allocated you could not possibly build more than 300,000 units in 10 years?

Mr. COUDERT. Unless you brought the cost down to what the administration estimates, say, $8,000, which would be $3,000,000,000 divided by 8.

Mr. JAVITS. You could not spend a penny for slum clearance?

Mr. COUDERT. Yes. If the administration bill as amended to conform with the Senate bill is enacted, and 810,000 units are built over 6 years, what proportion of the total eligible families of some ten or twelve million will be housed in those units?

Mr. JAVITS. I would say more than twice the proportion provided by the gentleman's bill.

Mr. COUDERT. I agree it would be a larger proportion, but no bill that is before this House is going to touch more than an insignificant proportion of the families entitled to consideration under terms of the bill. Moreover, States and localities are free to undertake slum-clearance projects on their own responsibility in addition to any projects aided by Federal funds.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, our plan of government contemplates three separate and independent branches, the legislative, executive, and judicial, the purpose of which is to provide a system of checks and balances, each upon the others. As long as each of the three branches retains its separate and independent status, and meets its responsibilities, our prospects of continuing as a free people will remain good.

The executive department has at its disposal the Army, Navy, and Air Force to maintain its authority and prevent encroachment by the other two branches of Government.

The judicial department has all the courts of the land, together with the prisons and penitentiaries, the marshals, and other enforcement officers, to maintain its independent status.

The legislative department has no Army, Navy, prisons, or enforcement officers to maintain its independent status or to prevent encroachment upon its jurisdiction by the other two branches of Government. It does possess, however, a powerful means of preserving its very necessary influence in our Government. That powerful weapon is the authority of Congress over the purse strings of the Nation. That authority was placed in the legislative department of the Government not for the aggrandizement of Congress, but for the benefit of the American people. It was placed in the hands of Congress as one means of protection of the citizens against possible oppression and injustice.

It is our duty, and it is our responsibility as Members to Congress, to retain that authority, not for our own benefit, but for the benefit of the welfare of the people whom we represent.

One of the objections which I have to H. R. 4009 is that it provides, by its own terms, for a complete surrender to the executive department by Congress of the last vestige of its power over the purse strings, so far as the problems of slum clearance and public housing provided in that bill are concerned.

If H. R. 4009 passes and becomes law, the power of Congress to supervise the spending of money will be gone, insofar as the slum clearance and public housing which this bill provides is concerned.

I want to deal for a moment with the method by which the money is provided to finance slum clearance and public housing in this bill. For slum-clearance loans the bill provides a maximum amount of $1,000,000,000. This provision is in subsection (e) of section 102 on page 7 of the bill. The administrator of the housing and home finance agency will not have to come to Congress, or the Appropriations Committee for one dollar of that money. Under the bill he may, with the approval of the President, issue his notes, in blocks of $250,000,000, a quarter of a billion dollars, at the time, and the Secretary of the Treasury must buy them and place the money in the hands of the administrator. Subsection (f) on page 8 of the bill, beginning with line 23, directs the Secretary of the Treasury to purchase any such notes and obligations of the administrator.

The bill provides $500,000,000 for capital grants, in subsection (b) of section 103, on page 10 of the bill. The Administrator will not have to come to Congress for one dollar of that money. This bill authorizes him, with the approval of the President, to enter into contracts to make capital grants in aggregate amounts of $100,000,000, which may total $500,000,000 which must be paid at all events. Beginning with line 24 on page 10 the faith of the United States is solemnly pledged in this bill to the payment of all capital grants so contracted for by the Administrator.

So, arrangements are thus made for the Administrator to obtain the entire $1,500,000,000 this bill provides for slum clearance purposes, without ever again calling upon Congress for its assent or concurrence in the spending of this money. So far as the slum clearance provision is concerned, therefore, this bill completely surrenders the authority of Congress over the expenditures, to the executive department.

Now, insofar as the public housing provisions are concerned, in subsection (h) of section 204, on page 38 of the bill, the Authority is given the right under this section of the bill to raise money up to $1,500,000,000, not by coming to Congress for an appropriation, but again by issuing notes, this time without specifically requiring the approval of the President. This is hedged about only with the restriction that the notes shall be in such forms and denomination, with maturity dates, and with such terms and conditions as may be prescribed by the Authority with the approval of the Secretary of the Treasury.

The same subsection, beginning with line 10 on page 39 of the bill, directs the Secretary of the Treasury to purchase this $1,500,000,000 of notes, which Congress again will have no voice or part in issuing, or in spending the proceeds.

The remainder of the funds for public housing under this bill, the maximum authorized amount of which is $16,000,000,000, may be provided at the maximum rate of $400,000,000 per year, as provided in section 205 of the bill on page 41, beginning with line 14. Contracts for these annual contributions, which are limited only to $400,000,000 per year may run for a period of 40 years, as is provided in subsection (e) of section 204, beginning with line 9 on page 37 of the bill.

Section 205 of the bill which authorizes contributions of $400,000,000 per annum for the 40-year period, amends subsection (e) of section 10 of the United States Housing Act of 1937 which contains the provisions that the faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section.

So, H. R. 4009 provides in great detail the methods and machinery by which Congress at every step and stage of the procedures will be completely bypassed, and will have no further voice in the slum clearance and public housing provided for in this bill.

A strong appeal has been made for this bill on the basis that one of its primary aims and principal purposes for the elimination of slums and blighted areas, great stress has been laid upon the need for slum clearance. Some of the strongest appeals for endorsement of this legislation have been based upon the need for abatement and elimination of slum sections. Shocking pictures have been circulated, portraying horrible slum conditions. Heart-rending speeches describing slums and slum dwellings have been made. Pages and pages of space have been used in describing in great detail slum dwelling conditions and the tragice consequences which result from them.

I think that it is reasonable to expect that this bill, insofar as it deals with slum clearance and the elimination of blighted areas, would be a bill scientifically designed and perfected, in all its parts and provisions, not to weaken or repeal existing provisions of law provided for slum clearance. I think it is reasonable to expect, on the other hand, that this bill would strengthen and add to those provisions already on the statute books to aid the elimination and abatement of slum areas.

Does the bill do this?

In spending these huge sums of money without the supervision of Congress, a long list of undertakings is set forth in subsection (c) of section 110, beginning with line 22 on page 20 of the bill. In addition to the acquisition of a slum area for redevelopment, it is provided that an area which has merely deteriorated may also be acquired. Other than that, it provides that an area which has not deteriorated but is merely in the process of deteriorating, may be acquired, if predominantly residential in character. These are loose and elastic terms, and will justify the acquisition of

many classes and descriptions of property which could not in any sense of the word be called slums. The authority does not end there. It provides also for the acquisition for any other deteriorated or deteriorating area which is to be developed, or redeveloped for predominantly residential usage. This opens up another classification of property not coming within the slum classification which may be acquired with these funds. The list does not end there. It authorizes the acquisition of land which in no sense of the word could be regarded as slums. It authorizes the acquisition of land which is predominantly open, and justifies its acquisition on such grounds as obsolete planning, diversity of ownership, deterioration of structures or of site improvements, or which otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential usage. This all-inclusive and elastic language is not considered sufficient, for the subsection proceeds further to authorize the acquisition with these funds of open land necessary for sound community growth which is to be developed for predominantly residential uses.

This is all provided in title 1 of the bill, which is that part of the bill creating the machinery for the so-called slum-clearance program.

I think it would be reasonable to expect that title 1 of the bill, the slum clearance title, would contain all the major changes in the existing slum-clearance law.

Such is not the case, however.

There is one major change in the existing slum-clearance law which is contained in title 2 of the bill, the public-housing title, and it is carried in that title of the bill in such fashion and manner that one reading the language of the bill would have no notice or warning whatever that it makes a major change in existing slum-clearance law. It is carried under the heading "Technical amendments," section 207 of the bill, beginning on page 46. I think it is reasonable to expect that technical amendments would group together such amendments as have no real bearing on the merits of the legislation, but nearly perfect it from a technical standpoint.

But, upon checking the various technical amendments under section 207, such is not found to be the case.

The Housing Act of 1937 carried provisions in two places specifically and positively prohibiting the erection of newly constructed dwellings for public housing unless the Authority eliminated slum dwellings substantially equal in number to the newly constructed dwellings.

H. R. 4009 does not retain this requirement of eliminating one slum dwelling for each new public housing dwelling erected. On the contrary it repeals that very effective slum clearance requirement, and it does not repeal it by setting out the language to be repealed, or placing the reader on notice that that requirement is being repealed. It repeals it by the use of language in subsection (d) on page 47 of the bill beginning with line 9, which reads:

By deleting the provisio in subsection 10 (a) and the proviso in subsection 11 (a), and in each case changing the colon preceding the word *"Provided"* to a period.

So one of the most effective provisions previously contained in the law to aid slum clearance is stricken from the law, and it is stricken under the guise of a technical amendment, not even contained in the slum clearance title of the bill.

H. R. 4009 is intended to set the pattern, and fix the policy, for the future, insofar as slum clearance and public housing are concerned. The pattern set and the policy fixed by this bill is not that approximately one slum dwelling will be eliminated for each new public housing dwelling constructed. On the other hand, if this bill is an indication of what may be expected, the repeal of that existing provision in the law would indicate that the Housing and Home Finance Agency does not intend to follow such a policy, but on the other hand desires to be freed and relieved from that requirement of the now existing law. The pattern set and the policy fixed, also is to the effect that the agency shall not have to come to Congress for its money, and that the control of Congress over the purse strings shall be surrendered entirely, insofar as the activities of that agency are concerned.

I feel also that this is not by any means the conclusion or end of the public-housing program. This bill, as it was introduced, provided for only 1,050,000 dwelling units. As proposed to be amended, it provides for only 810,000. Proponents of this legislation have stated in advocating it, that there are 6,400,000 families who live in inadequate, unsafe, unsanitary dwellings, and who need housing of the nature contemplated in this bill.

If this bill should pass it would be only the entering wedge. Having committed the country to the policy laid down in this bill, I have no doubt that Congress would be called on, again and again, for new and additional programs of construction to be carried on under the policy fixed by this bill now being considered.

Instead of the program costing the American taxpayers the maximum which it could cost them under this bill, of approximately $9,500,000,000, calculated on the same basis provided in this bill, it could cost the American taxpayers to provide the 6,400,000 dwellings said to be needed, approximately $105,000,000,000 in public-housing contributions, and in loans and grants for slum clearance.

Our public debt now is approximately $252,000,000,000. It is said that we are threatened with deficit financing this year. The administration is now proposing new and additional foreign spending programs. If we pass this bill, and commit ourselves to this policy, I greatly fear that it means financial disaster.

However, I do not rise merely to oppose House bill 4009. I also want to see slums eliminated and blighted areas corrected. I also want to see low-rent housing made available for every family which needs low-rent housing. I simply do not believe it is necessary to spend the huge sums of money provided for in H. R. 4009 in order to realize these objectives.

In addition to elimination of slum areas and providing low-rent housing, I also want to see veterans' housing provided for, and farm housing provided.

To that end I have introduced a bill, H. R. 5085, which I believe will provide all necessary slum clearance, ample low-rent housing for needy families, low-cost housing and rental property for veterans, and farm housing for those in the rural districts.

H. R. 5085, I believe, will do these things at approximately one-twentieth the cost to be incurred under H. R. 4009.

From 1933 until 1937 the Federal Government, through certain of its administrative agencies, financed, owned, and operated a small number of residential units in various parts of the country primarily in an effort to provide employment.

In 1937 the Seventy-fifth Congress enacted the United States Housing Act which was the first major excursion by the Federal Government into the field of providing direct subsidies for the construction and operation of public-housing units in this country. Approximately 214,718 units were constructed, with Federal subsidies extending over a 60-year period.

The Federal Public Housing Commissioner, Nathan Straus, for several years succeeding 1937 sought additional appropriations for an extension of this program, but no Congress since then has provided funds for further construction and subsidization under this act.

During the war, of course, a very considerable number of temporary and permanent housing units were constructed by the Federal Government under the Lanham Act to provide for the housing needs of the in-migrant war worker. The several hundred thousand temporary units so provided will be demolished, and the permanent units must be sold if the provisions of the law are carried out.

In any event, H. R. 4009 is the first bill to reach the floor of the House since 1937 which would extend the prewar public-housing program under the United States Housing Act.

Proponents of H. R. 4009 are urging the measure as a long-range slum clearance and public-housing measure on the grounds that it is highly necessary to establish a national housing policy and to extend the public-housing program. Opponents of the measure are equally vigorous in their denunciation of the 40-year commitment of the Federal Government to very substantial outlays of tax money and to the over-all socializing effect of the erection, ownership, and management of housing accommodations by Government bodies.

Neither side in this controversy has suggested any common ground upon which they might meet in order to improve housing conditions for our less fortunate citizens. H. R. 5085, which I in-

troduced on June 9, is an effort to provide a sensible, sound, and financially feasible measure upon which a common agreement may be reached. It provides certain Federal aids and subsidies in the matter of slum clearance and urban and rural housing.

It provides a means for veterans to acquire or rent housing under the most advantageous circumstances. It provides the means for achieving exceptionally low rentals for families of low income but within the framework of our private-enterprise system. It recognizes the need for assisting with Federal aids our farm population in the securing of proper shelter. It establishes an extensive program of housing research in order to make available improved materials and methods and to reduce housing costs. It is frankly a middle-of-the-road proposal.

As a short-range rather than a long-range proposal it has two primary advantages:

First. It will initiate activity in all of the phases of housing provided for in H. R. 4009. This would be accomplished, however, without the enormous outlay up to $19,000,000,000 of which $16,500,000,000 is an outright, nonrecoverable subsidy, as is involved under H. R. 4009, substituting a form of local and Federal income-tax assistance which will encourage the construction of truly low-cost rental housing for families of low income through utilizing the techniques and skills of our vast private-enterprise housing industry.

Second. Its total cost through Federal grants and subsidies would be less than one-tenth of the cost of H. R. 4009. In these days of mounting Federal debts and continual demands for ever increasing Federal expenditures, this is a feature which should commend itself to all Members of Congress. I am convinced that this alone should assure its approval by the Eighty-first Congress. If the program proves successful in operation, the Congress can approve additional expenditures within the limits of sound discretion.

Those who support this proposal rather than H. R. 4009 will know that they have initiated a comprehensive and far-reaching attack on our entire housing problem. At the same time, they will be assured that they and each suceeding Congress in the years to come will have an opportunity to change, improve, and supplement the provisions of this measure as our unfolding experience with such a program may dictate. I submit that this method of approach presents a sensible, affirmative, and progressive method by which we may attack this problem without committing ourselves and future Congresses to a long-range program which future events may prove unwise or in need of major change. This measure will start the ball rolling, so to speak, without our surrendering control of its destination.

It is now in order to discuss in some detail the provisions of H. R. 5085 as compared to those of H. R. 4009.

TITLE I. SLUM CLEARANCE

In H. R. 5085 a program of Federal assistance for slum clearance is provided to aid the States in acquiring blighted areas and clearing away the slum properties. The land would thus be made available for redevelopment with new dwellings, commercial properties, public parks, and such other uses as may be determined as best in accordance with a redevelopment plan to be prepared by the local community. The assistance would be in the form of loans from the Federal Works Agency in an amount equal to the estimated value of the land when cleared, which loans would be repaid in part out of the sale of the cleared land. Where, as would usually be the case, the value of the cleared land is less than the cost of acquisition and clearance, the Federal Government would contribute by way of grant one-half of this difference or "write-down," and the other half would be paid in cash by the State or the city or county in which the land is located.

As a condition of receiving these loans and grants, the State would have to assure payment of its grant of 50 percent out of local funds or proceeds of bond issues. So far as possible, such cleared land would be sold promptly for private taxpaying ownership. In the event that the land more properly should be used for public purposes, it would be sold to local or State agencies. Further, as a condition of receiving this assistance, the State, city, or county in which slum or blighted area to be cleared is located would be required to have and enforce laws or ordinances prohibiting the renting or occupancy of residential property that is dangerous to health or unfit for human occupancy by reason of its physical or sanitary condition. This means that effective health and sanitary code enforcement would be required so that the balance of housing available to the public would be kept in a safe and sanitary condition.

This bill would authorize $350,000,000 to be expended by the Federal Works agency for these purposes. The proceeds of the sale of the cleared land would be covered into the Treasury and would not be made available for additional loans and grants without further authority from the Congress. This would give the Congress the opportunity to review progress being made in this slum clearance program and to extend it or change it as experience dictates.

H. R. 4009, on the other hand, approaches this problem in a somewhat similar manner, but would place the slum-clearance and redevelopment program in the hands of the Administrator of the Housing and Home Finance Agency and would provide him with $1,000,000,000 in a revolving loan fund and $500,000,000 for outright grants. This substantial sum would be expended in this fashion: Loans by the Federal Government equivalent to the acquisition and clearance cost of the slum land to be cleared would be made only to local public agencies and made payable in 40 years. The $500,000,000 in grants would be used to pay two-thirds of the difference between the acquisition cost and the final sales price of the land for its new purposes, i. e., "the write-down." The remaining one-third would have to be borne by the city.

Basically, the primary differences between H. R. 5085 and H. R. 4009 with respect to slum clearance are:

First. The program set up in H. R. 5085 would be placed in the hands of a nonhousing agency and the Federal Government would deal directly with the States rather than with local public agencies.

Second. The amount of money involved is considerably less in H. R. 5085 because it is contemplated that Congress would prefer periodically to review the program rather than to permit the Housing and Home Finance Administrator to expend $1,500,000,000 without further control. The commitment under H. R. 5085 would be $350,000,000 subject to congressional appropriation as against $1,500,000,000 in H. R. 4009, which is made available upon the signing of the bill without any congressional control.

Under my bill, the principle of Federal assistance through loans and grants for slum clearance would be established, but the control of Congress would be assured and the separation of housing and urban redevelopment functions would be maintained. The well established matching formula which is so well known in public roads legislation would be used. Further, the States being required to contribute substantial sums would have a greater incentive to insure the most economical and efficient use of the funds.

I think that Members of Congress will agree that something in this nature must be done to begin the very necessary and socially desirable clearance of our Nation's slums. At the same time, in venturing into this unexplored territory of Federal Government participation in local affairs, we should make a modest beginning and be sure that the Congress at all times has an opportunity to review and consider the actions taken under such a program.

TITLE II. HOUSING FOR FAMILIES OF LOW INCOME

Realizing the necessity of providing really low-rent accommodations for the lower income group of our people, H. R. 5085 encourages private enterprise to do this job by the provision of several incentives. Private enterprise will construct a very large volume of rental housing if it is sufficiently encouraged to do so. Title II of this bill encourages such construction by permitting the owner to depreciate such rental property for Federal income tax purposes over a period of 120 months, which is equivalent to 10 percent per year for a period of 10 years. In addition to this, the municipality, or other local taxing unit, would be required, as a condition precedent to receiving such Federal tax benefits to agree to freeze taxes on the real estate involved for a period of at least 10 years, at the level at which it was taxing the property at the time the land was acquired for purpose of erecting the housing projects. This tax freeze feature has been adopted in New York, New Jersey, and Massachusetts. After the expiration of 10 years, both the municipality and the Federal Government could receive full taxes.

Projects built under this tax abatement and accelerated depreciation plan could be constructed only under a certificate to be issued by the Federal Housing Commissioner. This certificate would assure that the proper tax abatement arrangements had been made and that the owner of the property would make the accommodations available only to families of low income who had been certified by the local governmental agency administering public welfare as being in need of accommodations at such low rentals. The certificate and all these tax advantages would be revoked if any of the conditions were violated. Thus, the assurance that no undue advantage would be obtained by the owners of such projects would be provided by Federal Housing Administration supervision of the plan. Preference in occupancy would be given to veterans of World War II.

Title II of H. R. 4009, on the other hand, would authorize the erection of 1,050,000 public-housing units within the next 7 years at a maximum permitted annual cost to the Federal taxpayer of $400,000,000 per year for annual subsidy contributions for the next 40 years, or a total of $16,000,000,000. In addition to this Federal subsidy, local communities in which such projects are erected would be required to abate all real and personal property taxes on this public housing and receive instead only very small token payments of 10 percent of the shelter rents in lieu of taxes. Based upon past experience, if these projects were privately owned these taxes would amount to from $8 to $10 per unit per month.

Bonds issued by local housing authorities in effect are guaranteed as to principal and interest by the United States and are exempted from all Federal income taxes.

Let us see how H. R. 4009 and my bill, H. R. 5085, compare in results in providing low-cost housing for the low-income family when measured by the cost to the local and Federal taxpayer. Cost levels are under last year's peaks in the construction industry as in other industries. Private industry in most areas now should be able to produce rental housing for approximately $7,000 a family with land adding another $700 for a total of $7,700. Surely, if public housing can, as it claims, attain an average cost of $8,465 a unit, private enterprise can, and I have full confidence that it will, beat such costs by at least $700. The normal rent on a project at such cost would be approximately $80. However, if such a project were to take advantage of title II of my bill, I estimate that savings of approximately $33.74 a month could be effected through the benefits of the increased depreciation rent and the real estate tax freeze feature. This would reduce the rent on such a project to $46.26. If it becomes possible to attain a cost of as low as $6,000 a unit on land costing $600, rent of approximately $40 a month could be achieved.

At a time when every thoughtful citizen is concerned with the huge and increasing Federal outlay, we must give the most careful consideration to meeting our needs in a manner that will result in the least expenditure by the Government. We must also exercise the most extreme precaution so that Government actions encourage and not discourage private business operations. The plan for housing for low income families provided in title II of my bill meets both those tests.

TITLE III. VETERANS' HOMESTEAD ASSOCIATIONS

H. R. 5085 incorporates a provision for the establishment of Veterans' Homestead Associations similar to those proposed in the Veterans Homestead Act bill (H. R. 4488) in the Eightieth Congress sponsored by the American Legion. This bill was favorably reported by the House Veterans' Affairs Committee but no further action was taken in the last Congress. The purpose of the formation of such nonprofit Veterans' Homestead Associations is to permit our veterans, through their own efforts but with the assistance of the Federal Government, to acquire or construct housing for sale or rent at actual cost.

Loans would be made available to such Veterans' Homestead Associations through the Administrator of Veterans' Affairs at low interest for amortization over a period of 40 years where the housing constructed or acquired is to be held by the associations for rental to veterans. Where the housing comprises multiunit structures to be sold or held on a cooperative or mutual-ownership basis, the loans would be for periods up to 32 years. Two hundred and fifty million dollars would be made available to the Veterans' Administrator for the purpose of making such loans. Individual veteran purchasers would finance their homes through local financing institutions. Veterans purchasing single-unit housing from an association could obtain loans guaranteed by the Veterans' Administration under title III of the Servicemen's Readjustment Act, amortizable over a 32-year period .

In order to assure that the housing so constructed would be sound and yet not overly expensive, the associations would be permitted to construct or acquire units averaging not more than $10,000 per unit and would be required to sell or rent such units to veterans at prices reasonably representing the cost to the associations. The associations would be chartered, regulated, and supervised by the Administrator of Veterans' Affairs. Five or more veterans of World War II could apply for permission to form such an association. A veteran desiring to become a member would be required to deposit $100 with the association. Although the net incomes of the associations would be exempt from Federal taxation, and State and local taxing authorities would be required to treat them on the same basis taxwise as similar nonprofit corporations, the associations and the individual veteran purchasers from them would be required to pay normal property taxes.

It is expected that an association would actually undertake its construction through private building contractors under firm contracts which would eliminate speculative profits, sales expenses, and so forth. This would make each unit constructed available at substantially lower prices than comparable units now available to veterans. The monthly carrying costs or rentals on the individual units would be substantially lower due to the reduction in the initial cost and to the longer repayment periods authorized under this bill. Proper safeguards to assure conservative and efficient operations would be assured by the prior review and approval of each project by the Administrator of Veterans' Affairs.

In order to offset the present scarcity and high cost of improved land, the bill authorizes the Federal Works Administrator to aid State and local governments or associations by 50-percent grants for streets, water, and sewer, and other similar facilities wherever the Veterans' Administrator finds that such community facilities are necessary for the effective use of the housing to be erected or acquired by Veterans' Homestead Associations. This provision will have the effect of substantially lowering the first cost of the home as well as other charges imposed upon veteran home owners for public facilities. An appropriation of $50,000,000 is authorized for the purpose of these FWA grants.

H. R. 4009 does not contain a similar provision designed specifically to help veterans help themselves. To my mind, the plan proposed in H. R. 5085, tailored to fit the housing needs of our young veterans, is the American way of assisting our war heroes. The veterans' preference provisions of H. R. 4009 in connection with the public-housing title merely gives them a preferred status in units subsidized directly by the taxpayer. There is no incentive, no self-help, no dignity of individual labor and effort. I am sure that American veterans are not basically in favor of doles or hand-outs; all they want is an opportunity to acquire a home of their own or decent rental accommodations within their means. The sponsorship of this plan by the American Legion is ample evidence of this very worth-while objective on the part of veterans.

TITLE IV. HOUSING RESEARCH

In recognition of the need of continuing research looking to improved building materials, techniques, and with the objective of reducing housing costs, I have incorporated a housing research title in H. R. 5085. The National Bureau of Standards within the Department of Commerce has long conducted pure research in many fields including that of housing. Under my bill, there would be established within the Department of Commerce a housing research unit broadly authorized to undertake an expansion of such research in cooperation with other agencies of Government, with State or local governments, educational institutions, and non-Government research and technical organizations. It could make contracts for technical research work to be done by such cooperating agencies, such contracts not to exceed 4 years in length.

The existing operations of the Bureau of the Census and of the Construction Division of the Bureau of Foreign and Domestic Commerce—which have over a period of years produced economic and statistical data of great importance to the building industry—would be ex-

panded. These existing bureaus would be authorized to conduct studies into housing supply, its condition and characteristics, costs, and related economic factors.

Under H. R. 4009 the Housing and Home Finance Agency is granted the authority to conduct pure technical research in the field of improved building materials, techniques, and methods; to conduct inquiries into housing economics, statistics, and related matters; to determine housing needs and demands; to investigate and report on supply, finance, site planning, utilities, zoning, and a broad field of similar subject matter. The Administrator then would be required to disseminate such information, views, and conclusions as might be the product of this investigation and research. Such dissemination would be without regard to the usual restrictions placed upon Government agencies with respect to use of the mails for sending out their findings. Further, the Administrator would submit to the Congress estimates of urban and rural-housing needs and recommend legislative action. The HHFA Administrator would be authorized to use the facilities of other departments and agencies of the Federal Government in such work.

It is my sincere conviction that the research provisions of H. R. 4009 are undesirable because they place in the hands of the Housing and Home Finance Agency—within which function the constituent agencies—the Home Loan Bank Board, the Federal Housing Administration, and the Public Housing Authority—the entire responsibility for collecting, evaluating, and disseminating all information on housing for use by the public and the Congress. I believe it is unsound administrative and legislative practice for these operating agencies to have this responsibility. The conduct of pure research and the collection of information of an economic and statistical character should remain in the hands of research and statistical agencies currently carrying on such work. Under my bill their functions would be expanded and improved rather than setting up new bureaus and divisions, and thus duplicating established agencies' work. An operating agency should not have control of all information concerning the progress and accomplishments of programs under its jurisdiction.

If the research provision of H. R. 4009 is adopted, the Congress and the public will be able to obtain only such information, shaped and modeled in such manner, as the personnel of the operating housing agencies may determine. I submit that this is unsound governmental procedure. There would be nothing under H. R. 5085 to prevent the HHFA, the Home Loan Bank Board, the FHA, and the PHA, issuing such statistical information as may apply to their particular operations. On the other hand, placing all information-gathering facilities in such agencies is tantamount to inviting nothing but favorable reports of progress being made and probable future requests for an expansion of governmental functions in housing.

TITLE V. FARM HOUSING

The program for loans and grants to provide decent, safe, and sanitary dwellings for farmers provided in H. R. 5085 is very similar to that set forth in H. R. 4009, except that the grants in my bill have been increased to $75,000,000 from $62,500,000. The loans would be $325,000,000 instead of $250,000,000, as provided in H. R. 4009. The program would be under the administration of the Secretary of Agriculture and would provide loans to owners of self-sustaining farms on a 33-year 4-percent basis where adequate private financing is not available. Where the farm is potentially self-sustaining with improved farm management, the Secretary may make a 33-year 4-percent loan with annual contributions from the Government for 10 years in an amount equal to the interest and one-half of the principal payments due within that period. In a case of farms which have no practical prospect of being self-sustaining, the Secretary of Agriculture may make loans or grants or combinations thereof for the purpose of farmhouse repair and improvement—but not new structures—not in excess of $1,000 for any one dwelling or $2,000 for any one owner, of which not more than $500 on any one dwelling may be an outright grant.

The Secretary may provide architectural and advisory services in connection with the provisions of this title. Preference would be given to veterans in the distribution of benefits. Of the expenditures under this title, not more than 20 percent could be loaned or expended in any one year and not more than 10 percent in any one State.

Aside from the increase in the authorizations, there are some improvements in the language suggested by the National Grange.

TITLE VI. DISPOSITION OF WAR HOUSING

This title, which has no comparable provisions in H. R. 4009, deals with the disposal by sale of the permanent housing accommodations constructed by the Federal Government under the provisions of the so-called Lanham Act, Public Law 849, Seventy-sixth Congress, and certain other companion legislation. The Federal war housing was transferred from the Federal Works Agency to the jurisdiction of the Public Housing Agency by Executive Order 9070 of February 24, 1942, which has continued the management of these properties ever since. The total number of units involved is approximately 190,000.

The buildings constructed for one or two families present no disposition problem since they can and should be sold for individual owner use. The multiunit family buildings should prove attractive for purchase by an individual or by families joining in cooperation ownership of the building. Section 4 of the Lanham Act, as amended, expressed the clear intent of Congress that such housing should be sold as expeditiously as possible. Unfortunately, the disposition of these properties has not gone forward in the prompt fashion intended by Congress. In the 4 years since the war, only approximately 24,000 of these units have been sold. A number of others have been transferred to the armed services. Thus, on the basis of its present record it will take the Agency about 30 years to effect the entire disposal program.

In order, therefore, to reaffirm the congressional intent expressed in the Lanham Act, H. R. 5085 would require the transfer of these Government-owned war-housing facilities to the Federal Works Agency for expeditious sale for cash not later than December 31, 1950. This title is almost identical with H. R. 3492, Eightieth Congress, which passed the House June 18, 1947. In order to assure that the Federal Government receives the reasonable value of these properties, appraisals are required to be made by the Federal Housing Administrator. Veterans' preference would be granted first to veteran occupants, next to veteran nonoccupants, and then to nonveteran occupants. Purchases could be financed under applicable provisions of the National Housing Act (FHA) on the basis of 90 percent of appraised value with mortgages up to 25 years or under the Veterans' Administration guaranteed mortgage plan.

The proceeds of the sale of these Government-owned houses would be made available to the Federal Works Administrator as additions to the sum provided in title I of this bill for the purposes of slum clearance.

SUMMARY

In introducing H. R. 5085, I have sought to accomplish the purposes sought to be accomplished in H. R. 4009 without obligating the Federal Government to such immense long-term financial commitments as $19,000,000,000 under H. R. 4009. H. R. 5085 contemplates a maximum Federal expenditure of $1,050,000,000 in loans and grants—one-twentieth of the cost of H. R. 4009.

As mentioned before, H. R. 5085 reserves unto Congress the rights of review and control so fitting and proper in the launching of a program of Federal aid and subsidy in this important field of housing. So far as possible, my bill seeks to utilize private enterprise machinery rather than setting up new bureaucratic agencies or unduly expanding existing ones.

H. R. 4009 would set up within the Housing and Home Finance Agency a new Director of Slum Clearance and Urban Redevelopment. It would establish a housing research section in the same agency, and it would vastly expand the present Public Housing Administration. These administrative agencies would require substantial additions to the public pay roll, and the administrative costs would grow and grow.

The Member of Congress who sincerely desires to see affirmative action begun to start the progressive elimination of our slums, who desires to assist low-income families in securing shelter within their means, who sincerely wishes to help the farmer improve his housing condition, who recognizes the need for sound research in housing methods, materials, and techniques, and who sincerely desires to help the veteran help himself, I invite him to support H. R. 5085. The bill has

been offered in a sincere effort to provide a common ground upon which the Members of Congress may unite in launching an adequate and yet financially feasible housing program. I sincerely hope that Members from both sides of the aisle will join me in supporting this measure.

Supporting data for computation of rent savings attainable by higher income-tax depreciation deduction and real-estate-tax freeze.

A. $7,000 UNIT CONSTRUCTED ON LAND COSTING $700

1. Depreciation at 10 (computed on construction cost)	$700	
2. Normal depreciation at 2½ percent	175	
3. Reduction in net income for income-tax purposes effected by increased depreciation	525	
4. Income-tax saving (computed on basis of 25 percent corporate tax and 25 percent personal-income tax on dividends to owner)	230	
5. Resulting monthly rental saving (1/12 of item 4)		$19.16
6. Saving through abatement of realty taxes on improvements (assuming $5,000 valuation and $35 per thousand tax rate as typical)	175	
7. Monthly rental saving through tax abatement (1/12 of item 6)		14.58
Total saving through depreciation and tax freeze (items 5 and 7)		33.74
8. Rental capitulation:		
(a) Normal economic rent on project under FHA section 608 with total cost of land and buildings of $7,000 per dwelling unit		80.00
(b) Less savings as above		33.74
(c) Low rent attainable if total savings are deducted		46.26

NOTE.—This computation is conservative in that it has used the minimum tax rate—25 percent—whereas most corporations of this type are subject to a 38 percent corporate-income tax. Moreover the income-tax saving to the owners on dividends received from them from the corporation has likewise been computed at the low rate of 25 percent although most stockholders in such corporations would be in higher tax brackets. Such portion of this increased depreciation as is in excess of actual earnings of the project has been computed as a loss permissible as a reduction for income-tax purposes to the owners of the projects.

The estimated savings through real-estate-tax freeze is likewise on a reasonably conservative average since the valuation for real-estate-tax purposes and the tax rate per thousand in many large cities would be considerably higher than those used above (item 6).

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. O'SULLIVAN].

Mr. O'SULLIVAN. Mr. Chairman, I rise in support of H. R. 4009, because I believe that a national emergency exists now, and has existed for some past years, as far as housing in the United States of America is concerned.

During the war years, of course, housing, except for certain Government purposes, was halted and after the shooting war ceased private industry endeavored to do its best to satisfy the urgent housing demands, but has been unable to do the job in a satisfactory way up to the present time, and it seems reasonably probable that in the foreseeable future private industry, although exerting its best efforts, cannot satisfy the most urgent housing demands.

The one thing to my mind, which should have been done after the shooting war ceased, was to have had the President of the United States of America declare a national housing emergency and thereafter by proper legal means make necessary and essential public housing a reality. The President, however, having abundant faith and confidence in the legislative branch of the Government, let the Congress of the United States first seek to solve the problem.

However, the lower branch of the Eightieth Congress found itself impotent to be even a foster father to the needed legislation, and today in the Eighty-first Congress a certain segment of its membership wants to persist in the sinful role of this legislative barrenness.

Let it be said to the everlasting credit of the majority of the other body, that 2 years ago, and now, it has handled the housing problems of the people of the Republic properly, without regard to the political affiliations of its membership, and has joined hearts and minds and hands in an effort to give the people a workable Government housing program.

During the last national campaign the matter of public housing was brought directly to the attention of the people, and the majority of the voters, in effect, approved of such a program by defeating those who were unwieldy clamps upon the wheels of public-housing progress and in their place and stead the people sent to this Congress many Representatives who had pledged themselves to support the passage of a housing law.

I was one of those new Representatives and I know and realize that I have a mandate from the people of my congressional district to work and vote for this most necessary and entirely proper legislation.

Much harsh language has been used by the opponents of this bill and the claim is freely and blindly made that the legislation is socialistic, statistic, or paternalistic; that there are no slums; that we cannot afford to do it now; that it is the entering wedge which will endanger and eventually change our present form of government; that it is similar to putting the camel's head under the flap of the tent during a storm, and then hoping against hope that the human occupants of that tent will have the courage, fortitude, and the strength to keep the rest of the camel out of that tent. Other less serious charges are made, including the claim that no necessity for public housing exists now, and that if it does exist, it is not so serious but that private industry can take care of the demands in due time.

It might be well for us to consider for a moment what persons or forces appear in these roles of objectors.

When the Nazarene walked the earth you will recall that a woman was taken in sin and was brought before Him to be dealt with, and one of His very first inquiries was concerning the whereabouts and identity of her accusers.

It might be very enlightening right here now to ask the question, Who are the accusers of this public-housing law and where are they?

First, some of the accusers are right here in Congress and also a goodly number are in the ranks of respectable civil life—in business and in noble professions. I believe that these men are acting fairly and honestly in their efforts, but like the well-fed old king of ages past, they can see the handwriting on the wall all right, but they cannot read or interpret it, and instead of being like the silly, old gluttonous king, they do not call in some holy and pious Democrat to interpret the message on the wall of the legislative banquet room.

No amount of argument will ever convince these men they are wrong. Their unfortunate plight might be described by the old saying, "A bigot's mind is like the pupil of the eye, the more light you cast upon it the more it contracts."

No, the only thing in God's world which will make some Congressmen understand this problem is the ballots of a well-thinking, well-informed electorate at the next congressional election, and of course then the messages, as has been so often the case in the past, will surely come too late.

The other accusers—those in civil life—will go on unwhipped of the justice of the people who vote.

The other group of accusers—the second section or segment of the opposition—are the real-estate lobby and other hand-and-glove lobbies, the National Association of Manufacturers, the national and local chambers of commerce, the National Association for the Prevention—oh, pardon me—for the Preservation of Constitutional Government—or was I right the first time—and other organizations and persons engaged in loaning money on real estate to builders and to those engaged in kindred money-loaning ventures, and the extreme right-wingers, especially in the Republican Party, who have seized the control of that party to the real danger and menace of the Republic.

I do not want to be as unkind as some of my colleagues have been to this two-prong, or many-pronged, perhaps, group of accusers and opposers, but I do want to say that the good American men and women who have been drawn into this unholy opposition are to be pitied rather than censured. The other horn—not of the dilemma on this occasion—but something worse, should on the contrary be censured and not pitied. They are the direct descendants, I believe, of those individuals who were scourged from the temple by the Nazarene and need a little verbal whipping right now in order to be put in their proper places.

These selfish, heartless, and otherwise inconsiderate money-blinded men, although they may suffer no visible punishment here, will, I am sure, like Tantalus of old, in Hades, long for, and reach

for, the enticing cup containing 30 pieces of real-estate lobby silver, more or less, to quench their inordinate thirst, and the cup will move away from their grasp guided by unseeable hands. These men, I am sure, will suffer punishment enough both while living and after death.

I fear that we do not understand these people, and in fancy now I pretend that I am with them in their well-appointed homes. They do not see the beautiful furniture and furnishings, the works of art and all of the things therein provided to make that home livable, they see only dollar signs. When they look at their wives or children, or others who are near and dear to them, they see only dollar signs. When they retire after a grueling, selfish day to their downy beds, they see and dream only of dollar signs. When they eat their meals, they do not see dishes and edibles and potables, they see only dollar signs. When they drink their cool and stimulating, or hot and stimulating drinks, they see only dollar signs. When they go to their godless work in their magnificent offices, they do not see furniture, furnishings, people, papers; they see only dollar signs. When they drive through the streets and countrysides or visit their country and other select clubs, they do not see birds, bees, insects, trees, greensward, shrubbery, or flowers; they see only dollar signs. When they listen to the songs of persons or birds, they do not see persons or birds; they see only dollar signs, and hear the jingle of money bags only.

Perhaps, also, when they die and through some poor man's or poor woman's prayers are privileged to come before God and attempt to view the splendors of Heaven, they will not see God or experience any beatific vision. All they will see will be only dollar signs. The music and the songs of the celestial choir will not be heard by them, but instead they will hear only the jingle of money bags. My, what a profitless, useless, and devilish way to live on earth and exist in eternity if my fancies are correct.

How about the claims of these misty-eyed, cobweb-befogged minds of these ignoble-hearted people?

This housing program is no more socialistic, statistic, or paternalistic than the Government road programs, the public-school systems, the city lights, gas, or water systems, the fire departments, the building of interstate bridges, the national farm programs, the national banking acts, insuring bank deposits, school-lunch programs, Government relief, and many other really decent similar programs. Yes, the old money bags, the old dollar-sign visionaries, and old money-bag musicians, raised the same witch-beguiling cries against these programs as they are now raising against this housing program. Verily, where there is greed there is no heart and no vision; and where the people have no heart and no vision, they perish.

The claim that there are no slums is so terrifically untrue that I need waste no time refuting it. Slums are a reality; not a fancy.

The claim we cannot afford it, is untrue. We cannot afford not to do it. Proper housing will help to stem the tide of adult crime, juvenile delinquency, diseases of men, women, and children, and will save the Nation thousands of man-hours of work and much money. It will give to the suffering, underprivileged, new hope and new vision. A proper home, like proper clothing and proper food, has never ruined, bankrupted, or added to the governmental problems of any entity of government, and has never destroyed a race, or a people, or a government.

A writer whose name I cannot recall has aptly stated that it was the crime of the ages to permit children to be born in the reeking, rotten slums, where the pleasant sunlight never comes, where all are starved for food, and starved for air, and starved of the right to live as people and required to revert to the foul conditions of cavemen and cave beasts.

I now wish to quote the poem of James Oppenheim entitled "Slums":

In the dusty glare of a humid morning,
The slow horse-trucks get in each other's way,
The drivers lash and curse,
The rough-paved streets are sticky with flies,
The hucksters shout, the fat dirty women scream in the crabbed bargainings:
Filth shoves against filth, and crying children are yanked by the arm and told to "Shut up!"

One sees too the swindle of housing:
Vast populations are broom-swept into this industrial devastation:
Lying tissues of plaster, brick and wood
And this acreage swarms with neglect.

The factories vomit their poisonous smokes in the very faces of the people:
Dirt lies where it fell: the forlorn smoke-blackened trees shrivel and wither:
And at dawn, in the refuse heaps, one sees mangy dogs like jackals nosing for morsels.

Yes, humanity in the gross is ugly, dirty and abhorrent:
War almost seems as a necessary cleansing of this abscess:
As if Earth had a carbuncle on her smooth and beautiful flesh.

Among all the animals, man is the dirtiest and cheapest and ugliest:
Even a coyote has bright burning eyes, lithe health and a clean fur:
Even a hog is enamoured of sunshine and has a rock-strong natural huskiness:
What have we done with ourselves, we of the race of Ulysses, David, and Roland,
That thus in the mass, we appear such refuse?

This housing legislation is not the entering wedge of any un-American "ism." It is legislation properly in keeping with the welfare clauses of our Constitutions, State and National, and no amount of argument on the part of inordinate greed or extreme right-wingers, and their unfortunate dupes, will ever change my mind on the real American purpose of this most needed and worthy legislation.

The necessity of public housing is real, and private industry cannot do the job. It is as a fagged-out boy trying to do the work of a seasoned man. I shall not require it any longer to be a "brute for punishment." The Society for the Prevention of Cruelty to Animals might interfere if we do not step in at this time with proper, manly aid—with public housing.

This housing bill is in nowise unconstitutional or contrary to the law of the land, and I defy the opposition to prove their contentions that it is such.

On the contrary it is in keeping with the ideas and thoughts of the great Thomas Jefferson.

Some time ago I chanced to visit again the Jefferson Memorial in Washington, D. C., and on one of the walls these great words of his are carved, which today are so pertinent:

> I am not an advocate for frequent changes in laws and constitutions, but laws and institutions must go hand in hand with the progress of the human mind as that becomes more developed, more enlightened, as new discoveries are made, new truths discovered and manners and opinions change, with the change of circumstances, institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy as civilized society to remain ever under the regimen of their barbarous ancestors.

I sincerely wish that reactionary Republicans in Congress and apostate Democrats in Congress would visit the Thomas Jefferson and Abraham Lincoln Memorials in Washington, D. C., and spend a few profitable hours in these two great places, and read and absorb what is written on their walls. They would come away as "free men" and not "kept men" and be prepared to work henceforth for the welfare of their country and not for the welfare of extreme right-winged big business.

The other arguments made against this bill are entirely too puerile to deserve attention.

Now, who are the people who are for this bill? Some of them are the following: American Legion; Veterans of Foreign Wars; American Federation of Labor; Congress of Industrial Organizations; League of Women Voters; Congregational-Christian Churches of the United States of America. Council for Christian Social Progress of Northern Baptist Convention; women's division of the Methodist Church; United Council of Church Women; division of social education and action, Presbyterian Church; National Council of Negro Women; National Board of the Young Women's Christian Associations; National Conference of Catholic Charities; National Council of Jewish Women; National Association of Parents and Teachers; National Urban League; National Association of Rural Housing; National Farmers Union; International Association of Machinists; National Lutheran Council; American Veterans Committee; Jewish War Veterans; AMVETS; United States Conference of Mayors; American Municipal Association; American Association of Social Workers; American Council on Education; American Home Economics Association; National Women's Trade Union League; National Association of Municipal Law Officers; National Federation of Settlements; American Council on Human Rights; and the Family Service Association of America.

The memberships of the organizations supporting public housing totals over 60,000,000.

What do the people who are not prompted by selfish impulses to lend their support to H. R. 4009 have to say

about this legislation? The other day I received the following communication from a truly American organization which is so understanding, so human, and so Christianlike that I commend it to you for your earnest consideration.

[The Board of Christian Education of the Presbyterian Church in the United States of America, division of social education and action]

PHILADELPHIA, PA., *June 1, 1949.*

MY DEAR CONGRESSMAN: Below you will find a copy of the action of our national body on the subject of housing. This action was taken on May 25, 1949, at the regular meeting of the general assembly, Presbyterian Church, United States of America. This body is made up of over 800 commissioners representing about 8,500 churches throughout the United States.

Respectfully submitted.

FERN M. COLBORN,
Assistant Secretary, Division of Social Education and Action, Presbyterian Board of Christian Education, Presbyterian Church, United States of America.

STATEMENT ON HOUSING

Housing: The inability of private enterprise and the failure of our Government to provide adequate housing for our citizens has led to unhealthful conditions, broken homes, delinquency, and crime. Christian people are often unaware of the conditions under which others of their fellow citizens are forced to live. We recommend that our churches, in cooperation with other community agencies, conduct surveys of housing conditions in their own communities and initiate whatever steps may be necessary to stimulate private industry to develop housing for the families of lower middle income, and encourage local government authorities to proceed with a slum-clearance and public-housing program for low-income families. We urge Congress to adopt legislation to provide a Federal housing and slum-clearance program. We recommend that the general assembly communicate with the committees of Congress in charge of legislation securing these ends.

Many other church bodies agree with the foregoing and are marching with them hand in hand. The following excerpt from a letter I received is enlightening as far as those interested in the need of this housing bill are concerned:

My children have been eating in restaurants, poorly nourished because of no place to cook, no place to play. They are becoming juvenile delinquents. We have to live in this hotel room, six of us, and I have to work to pay $21 a week rent. Why? Because there are no places to live. This is our America—America for thousands of refugees coming over every week—a good America for them. They seem to find places to live, while American-born families are put out on the street, have to part with their children or maybe drown them. It's all right, they're just little boys that will make good soldiers later on. Even a refugee, an old man, has a place to live in Omaha, while I have to try to live with mine in a hotel. While I work, they run the streets, eating half the time because they are sick to death of greasy restaurant food.

* * * * *

My husband was out of work for 1 year. He is back now and I could quit and take care of my children right if we didn't have to pay $21 a week rent. I never know how long I can stay here as there are railroad men here and children are noisy.

Naturally as I said before there is always the river. It would be better than living like this. The wrong has just about got me.

I have received many letters of similar import from my constituents but will not take the time to quote from them now.

I have also received many expensive telegrams, many long letters, and many pamphlets from the persons, firms, and organizations opposing housing legislation, including realtors and real-estate men and organizations. They have endeavored to enlist my aid in their behalf. Many of them are friends of mine and I regret that I cannot go along with them, because the platform of my party, my campaign pledges, and my conscience would not permit of such a course of conduct. I was elected by the people, real American men and women, who not only had heads but also had hearts as well. I must remain true to my trust regardless of consequences.

In my replies to those opposing this legislation I have stated, unequivocally, where I would be when it came time to vote on this housing bill.

I will now quote a portion of one of such letters which is typical of my replies to the opposition group:

I am in receipt of yours of June 3 in which you ask me to vote against what you term "the socialized housing bill, H. R. 4009."

As you no doubt have heard, a joint poll recently was conducted by the World-Herald and my own office on important questions before the Eighty-first Congress. The World-Herald refused to publish the result for the Second Congressional District. For your information, on the question of President Truman's Federal housing program, the vote was: For the Truman program, 9,241; against, 3,015.

This is a ratio of 3 to 1 and it is the second time that the voters of my district have indicated that they favor this program. On November 2 they elected me to Congress over Howard Buffett. I was an avowed advocate of an adequate housing program; Mr. Buffett boasted that he had killed veterans' housing in Congress.

No one would welcome private initiative in the housing field any more than I. But, according to the following resolution adopted by the board of Christian education of the Presbyterian Church at their convention a few weeks ago attended by 800 commissioners, representing 8,500 churches, private initiative has failed of its duty. I quote the resolution:

"Housing: Inability of private enterprise and the failure of our Government to provide adequate housing for our citizens has led to unhealthful conditions, broken homes, delinquency, and crime. Christian people are often unaware of the conditions under which others of their fellow citizens are forced to live. We recommend that our churches, in cooperation with other community agencies, conduct surveys on housing conditions in their own communities and initiate whatever steps may be necessary to stimulate private industry to develop housing for the families of the lower middle classes, and encourage local government authorities to proceed with slum clearance and public-housing program for low-income families."

I am not a Presbyterian, but I will take the word of these honest, sincere people against that of the real-estate lobby and their ilk and dupes any day in the week.

This housing bill or some other proper housing bill must be passed.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

THE NEED TO ELIMINATE SLUMS IN THE LOS ANGELES AREA

Mr. HOLIFIELD. Mr. Chairman, you have been told that 42 of the 48 Governors have endorsed this bill, and that 46 mayors of our large cities have endorsed it through the American Municipal Association. I hold here in my hand a telegram from the Honorable Fletcher Bowron, the mayor of Los Angeles, the Republican mayor of a great city with approximately 3,000,000 inhabitants, and I want to read his telegram at this time:

Hon. CHET HOLIFIELD,
Member, House of Representatives,
Washington, D. C.:

Strongly urge your support H. R. 4009 scheduled for House debate Tuesday. This bill affords Los Angeles only opportunity to launch effective community redevelopment program. Both title I, providing funds for redevelopment and slum clearance, and Title II, providing funds for housing families displaced by redevelopment program are absolutely necessary. This legislation will enable Los Angeles to convert blighted tax-liability areas into community assets. May I urge you oppose all emasculating amendments?

FLETCHER BOWRON,
Mayor.

Let me again state that this message comes from the Republican mayor of the city of Los Angeles, a former superior court judge, a man who has been elected mayor three successive times by proponents of reform city governments.

At this point I want to give you some of the facts, not theories but facts, about the housing situation in the Los Angeles metropolitan area.

There were slightly in excess of a million and a quarter dwelling units in the Los Angeles metropolitan district in April 1947. This represents an increase from slightly under a million units in April 1940.

Despite some improvement in the quality of the housing inventory between April 1940 and April 1947, the Bureau of the Census figures show that there were still more than 106,000 units which were either in need of major repairs or lacked private bath or inside flush toilet. There were, moreover, still 52,000 overcrowded units having more than one and a half persons per room. This compares with only 38,000 such units in 1940.

That the housing situation is still extremely tight in the Los Angeles area is indicated by the results of a survey of the vacancy situation made by the Residential Research Committee of Los Angeles in December 1948. This report stated:

We need 50,000 more dwelling units in the county today to bring our housing up to normal.

The study showed that in December 1948 only 0.61 percent of the unfurnished multiple units were vacant. The vacancy rate among furnished apartments stood at 0.66 percent, while the vacancy rate for single houses was 0.67 percent. Commenting on the vacancy situation the Residential Research Committee writes:

One of the most significant aspects about the vacancy situation is that vacancies are most pronounced among newer units and in higher price brackets. The survey shows that practically all vacancies in furnished apartments are in places less than 10 years old. In the unfurnished multiple field, vacancies

in modern units are 1.03 percent, compared to 0.32 percent in older units.

A distribution of the available dwelling units for rent or sale according to their monthly rental or its equivalent is as follows:

	Percent
Total	0.67
$40 or less	.61
$41–$60	1.00
$61–$80	.39
$81 and over	1.07

In his reply last year to the questionnaire sent to mayors by Senator WAGNER as a part of the studies of the Joint Committee on Housing of the Eightieth Congress, Mayor Fletcher Bowron said he thought that it would be desirable for 5,000 low-rent public-housing units to be built in Los Angeles over a 4-year period.

In his reply, Mayor Bowron also called attention to a recent sampling of 16,000 veterans' applications on file with the local housing authority, which showed that 59.4 percent of the veterans had incomes of less than $1,900.

It is patent that their present incomes will not allow them to either buy or rent acceptable standard housing from private landlords or realtors—

He said—

Unless the building industry is suddenly revolutionized by use of nonconventional materials, or in some other fashion as yet unthought of, something of this situation will always exist and private enterprise will always be unable to reach all levels of home seekers.

Mayor Bowron's mention of 5,000 low-rent public-housing units in 4 years covers only Los Angeles City and not other urban areas in the Los Angeles metropolitan area. Five years ago, in connection with applications for a postwar shelf of projects, Los Angeles County proposed a 3-year program of 1,500 low-rent public-housing units for areas outside the corporate limits of the city of Los Angeles.

In supporting this slum-clearance and public-housing bill, I realize that it is only a part of the legislation necessary to give the necessary Federal assistance to residents of the Los Angeles metropolitan area and other heavily populated districts all over our country. It is my sincere hope that the great Committee on Banking and Currency will speedily bring to the floor other equally important bills dealing with other facets of the housing problem. I speak of a permanent extension of titles I and II and section 608 of the National Housing Act. It is under these titles that a major part of our houses will be built.

Permanent extension of these sections of law relating to FHA will provide long-term financing, backed by Federal Government credit, which will enable people of modest incomes to obtain their own homes, by building or purchasing them on terms they can afford. Incidentally, it will enable real-estate offices, builders, and contractors to maintain their business at a profit level of activity.

It is ironical that the real estate interests and the builders who are so anxious to obtain Government credit to stabilize their business and maintain their profits at the same time, like dogs in the manger, do not want people who are unable to buy or build under FHA to have decent, safe, and sanitary homes.

I submit that no real estate man or builder, who has integrity and honesty, can accept the stabilization of his profits through Government action, and at the same time oppose Government assistance to those who cannot help themselves through the FHA program.

Another facet of the housing problem which is equally important, is the reactivation of the GI building program. The Congress agreed in past legislation that the GI's should be given a favored position in obtaining housing. This objective has been accomplished in the past by a full secondary market and the low interest rate of 4 percent. The program has seriously dwindled because of the loan guaranty limit of $4,000 and because of the refusal of savings and loan companies and banks to absorb in their portfolios additional 4 percent mortgages. The reason they have refused to maintain their previous level of GI loans at 4 percent is that the general level of interest in the United States has risen, and 4-percent loans are no longer attractive to private lending institutions.

We are faced then with two alternatives. Either the Government must advance direct loans at 4 percent interest to the veterans, or the generally accepted current interest rate of 4½ percent must be met in order to obtain private financing for GI housing. This policy must be determined by the Congress.

While I would like to see the veterans obtain their financing at the lowest possible interest rate, I realize that it is politically improbable that this Congress will pass legislation which will provide for direct Federal loans to individual GI home buyers. If such a program could be evolved, I would support it. But, believing that it is improbable of accomplishment, I think the next best thing, if we expect to reactivate GI home building, is to pass legislation which will provide for a 4½ percent interest rate, full secondary mortgage guaranties, and longer term amortization of these loans.

Such legislation is embodied in H. R. 1324, which I introduced in the House on January 13, 1949, and which Senator ELBERT THOMAS introduced in the Senate, S. 616. This legislation will provide one-package loans at low monthly payments, and at an interest rate which is reasonable, and, which at the same time, will attract private capital into the building field.

I hope that the Committee on Banking and Currency will soon give their attention to the other factors which are necessary to the provision of an over-all home-building program to meet the critical needs of the people of the United States.

I have introduced a bill for this purpose, H. R. 1324, which I hope some day to be allowed to testify for in the Committee on Banking and Currency. But I realize we have to do this a step at a time. This, certainly, is the first step and we have to concentrate on it and pass this bill, H. R. 4009.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. BLATNIK].

Mr. BLATNIK. Mr. Chairman, I rise to speak in support of this most worthy housing bill—H. R. 4009—which is now under consideration by the House. This measure to establish a constructive and practical national housing policy and objective through its provisions calling for slum clearance, public housing, rural homes and housing research, is one of the most progressive and enlightened pieces of legislation ever debated by the House of Representatives. Its passage will mark a major milestone on the road to the solution of the Nation's critical housing problem, and will strengthen the housing industry to make possible the meeting of America's long-run housing needs. As such, H. R. 4009 deserves the full backing of every Member of this distinguished body, and I am happy to give it my unqualified endorsement.

I take this opportunity to declare my firm belief in the entire underlying philosophy of this bill. In my opinion, the policy declaration expressed in this bill to the effect that "the general welfare and security of the Nation and the health and living standards of its people" requires the elimination of the current housing shortage, and existing slums and the realization of a decent home for every American, is in keeping with the best American tradition. The right to a decent home in healthy surroundings is the democratic right of every American, and this bill defining this objective expresses the aspirations and hopes of every member of our society.

THE NEED FOR A HOUSING PROGRAM

It is a well-documented fact that the housing situation in the United States is deplorable, that it is a national disgrace. In the first place, there is the current housing shortage. It is estimated that between two and three million American families—about 40 percent of them belong to veterans of World War II—are today without homes, and who are now forced to live doubled-up with relatives and friends, or to exist in trailer camps and rooming houses. And the Nation's housing needs are increasing with the increase in population; statistics show that by 1960 we will need about 7,000,000 new non-farm-housing units just to place a roof over our growing population.

This does not take into account the substandard and dilapidated conditions of existing housing facilities. To simply place a roof over the heads of all Americans is not the American ideal, but the task is to provide homes in which Americans can live decently and happily. Yet the statistics show that 40 percent of nonfarm dwellings in the United States are substandard, and that nearly two-thirds of all farm dwellings are in the same condition. Hence, any satisfactory housing program must not only build enough homes to provide space for the homeless of today and the increase in the number of families, but it must also

make possible the replacement of these substandard homes in the city and rural slums of the Nation with sanitary, modern, and up-to-date homes for our people.

In short, the statistics show that the task of supplying the housing needs of America involves the construction of some 16,700,000 new housing units by 1960. This is a gigantic task, but one that we must accept and take positive action to fulfill.

MINNESOTA HOUSING CONDITIONS PARALLEL NATIONAL PATTERN

The present housing crisis, with its acute shortages, overcrowding, city and rural slums, is not confined to any one area—it is not a State or sectional problem, but one which exists throughout the Nation, and extends to every State in the Union. It affects New York just as it does California—it extends from Michigan to Louisiana and from Massachusetts to Oregon.

As the Representative of Minnesota's Eighth Congressional District, I am very familiar with the housing conditions of my home State, and I can testify that the housing situation in Minnesota parallels the national housing pattern.

The same immediate housing shortage exists in Minnesota as it does on the national scale. Recent surveys show that about 10 percent of all families in the Minneapolis-St. Paul area cannot find homes and are forced to double up with relatives and friends. Hundreds of veterans in the city of Duluth are without housing facilities. One out of every seven families in Hibbing are without homes, and in Virginia, Minn., the ratio is one out of every eight.

Minnesota is likewise plagued with substandard housing in both town and country. According to a 1947 study made by the agriculture experiment station at the University of Minnesota, the following conditions exist in my home State:

First. In 1940 approximately 47 percent of all homes in Minnesota were without running water; 49 percent had no flush toilets; 52 percent had no central heating; 36 percent had no electric light; 68 percent lacked mechanical refrigeration; and 18 percent need major repairs.

Second. With respect to the 394,673 urban dwelling units in Minnesota about 25 percent of them had no central heating; 49 percent lack mechanical refrigeration; and 10 percent need major repairs.

Third. Rural housing in Minnesota is in worse condition than city housing; 88 percent of them lack running water; 92 percent lack flush toilets; 70 percent lack electric lights; and 27 percent needed major repairs in 1940.

In short, Mr. Chairman, at least one-third of the urban homes in Minnesota are below standard, and approximately two-thirds of rural homes are in the same condition. This is the prevailing condition throughout the entire United States, and I say that a Federal housing program is absolutely necessary to furnish the type of homes in adequate numbers which the people of my State and the other States want and deserve.

ONLY THE REAL ESTATE LOBBY OPPOSES HOUSING LEGISLATION

This housing bill, H. R. 4009, has almost universal support of the American people. All the great labor organizations—the A. F. of L., the CIO, the railroad brotherhoods—have endorsed it. Every major veterans' organization, the American Legion, VFW, DAV, AVC, the Jewish War Veterans, and the Catholic War Veterans, have all given it their approval. Likewise, the Farmers Union and the National Grange, the American Municipal Association, the United States Conference of Mayors, the League of Women Voters, the National Conference of Catholic Charities, the Congregational Christian Churches, the National Council of Catholic Women, and the National Council of Jewish Women are giving this measure their full support.

Although this housing bill has the overwhelming support of a vast majority of Americans, and in spite of the fact that its passage is in the public interest, we find that certain selfish interests are opposing it. These reactionary and antisocial forces, headed by the real estate lobby, are howling socialism and spending enormous amounts of money in a propaganda campaign of misrepresentation and falsehood to defeat this measure.

This propaganda at its worst is represented by the greeting card technique—no doubt others in this House also received the message of the National Retail Lumber Dealers Association on what looks to be a birthday card. When the card is opened, the reader finds that the lumber dealers' idea of humor has not changed much in the last 25 years. I hope that everyone will read this greeting card, since it must have cost the lumber dealers enough to build several houses, even without new and improved techniques which they deplore.

A more subtle form of propaganda is represented by the efforts of the Home Builders Association of Metropolitan Washington, whose economy housing project has the praiseworthy objective of utilizing modern techniques. But was it a coincidence that a letter inviting Members of Congress to view this project arrived last Friday, and that the open house was scheduled 3 days before this body started debate on a public housing bill?

The home builders' letter stated, and I quote:

> Here is a demonstration right in the Nation's Capital of what the builder under private enterprise is doing and will continue to do in providing low-cost housing for low-income groups.

What is the builder doing? A representative of my office visited the economy project last Saturday, making the long trip to District Heights. No blame attaches to the builder that it was necessary to go miles away to obtain cheap lots at $1,200 apiece, and I want to state that the builders displayed real ingenuity in building houses to sell at $7,000 for a one-bedroom and $8,000 for a two-bedroom dwelling under these circumstances.

Despite the builders' ingenuity, these houses are not satisfactory. They are small—smaller than the average apartment. They are not economy-house cheap—the monthly payments will average more than $50, which does not count utilities and other extras that every homeowner runs up against.

Still more important, these houses were not built by regular contractors. They were built by the association, and the builders themselves admit, first, that they do not know whether contractors will be convinced that they can build them at a profit, and second, they do not know whether financing will be available even under the GI-loan program.

Here, then, we find two economy houses. We find the builders working to design and build them for over a year. We find the builders running all over town to obtain financing, on their own admission. We find veterans falling all over themselves to purchase these two houses, in spite of their inadequacy. So many veterans want to buy, I am told, that it has been arranged for the American Legion to draw the lucky winners' names out of a hat.

I personally want to compliment the Washington home builders on their demonstration. I believe that they proceeded in good faith. They have built two houses, and I hope that they persuade others to build many more with many more improvements. There is a real place for private enterprise in the housing field.

But I believe, too, that this demonstration has shown once again that private enterprise alone has not done and cannot do the whole job, either here in Washington or anywhere in the Nation.

One of the charges made by these enemies of decent housing for the people is that this measure costs too much—that it will cost $20,000,000,000. Of course, the true fact that H. R. 4009 calls for an expenditure of about half that amount over a period of 30 years is of no interest to these unscrupulous gentlemen.

I would like to remind the real estate lobby that America cannot afford to be without this housing program—the social cost of slums and bad housing conditions are so great that they threaten national security. There is a direct relationship between bad housing and disease, crime and Government expenditures, as the following facts, based on previous studies, will demonstrate:

First. The pneumonia rate in slum areas is 3 times as great as in normal residential areas, the infant mortality rate is 6 times as great, and the tuberculosis rate in slums is nearly 11 times as great as under sanitary housing conditions.

Second. The crime rate in slum areas is 5 times as great as it is in better housing areas—the juvenile delinquency problem is manyfold greater in slums than other city areas.

Third. Slum areas cost city governments much more per capita in connection with expenditures for fire and police protection and for health and other services. Yet, slum areas contribute the least amount in the form of per capita revenues to maintain city government; and

Fourth. The future citizens of America—our children—are the chief victims of the slums and blighted areas of the Nation. The committee report on this bill sums up this point very well when it says:

> Unfortunately, the effects of poor housing leave their heaviest toll upon the millions of children who are being obliged to spend their formative years either in dreary, unhealthful slums, or in overcrowded dwellings in which normal family life cannot be achieved. The maintenance of our way of life and our aspirations as a people and a democracy depend to a large extent upon these children whose attitudes and minds are being formed for the future in the homes of today.

The real-estate lobby also raises the bugaboo of socialism, which is the usual phoney argument used by all reactionaries whenever progressive and liberal legislation is proposed for the benefit of the people. This argument is wholly without foundation. H. R. 4009 will strengthen free enterprise—it is designed to help free enterprise to build the homes needed by the American people. It is based on the assumption of free enterprise, and it will operate in this kind of a system.

The authors of this bill have recognized the simple fact that the private construction industry has never been able to supply America's housing needs in the past, and they are incapable of doing it today. Let me remind the House that the average annual construction during the boom years of 1920–29 was only 723,900 homes, and that the average during the depression period fell to only 273,000 homes a year. Last year only about 900,000 homes were built by private enterprise in spite of the enormous public demand for housing—today this rate of construction has fallen smartly in the face of our ever-increasing housing needs. Even those are so expensive as to be out of the reach of the average family's pocketbook.

Hence the purpose of this bill is to help the private construction industry do the job that they cannot do by themselves—it is a policy designed to bolster and strengthen this industry.

H. R. 4009 IS MUST LEGISLATION

Mr. Chairman, housing legislation along the lines of H. R. 4009 has been passed three times by the Senate during the last 4 years, only to have it blocked in the House by the selfish real-estate lobby. We cannot allow this to happen again—we cannot permit the real-estate lobby and other vested interests to deny decent housing to the American people again.

This measure now before us is a practical measure providing a workable housing program for the Nation. In its declaration of policy which sets forth the goal of decent housing for all Americans, the measure reflects the democratic aspirations of the American people.

In its provisions which authorize Federal loans and grants, it enables communities to take the first step toward the elimination of blighted areas and slums in our cities. The clearance of slums is a task that private enterprise is unwilling or unable to undertake, and communities cannot do the job by themselves. We cannot afford the deficits resulting from slums any longer—a deficit in humanity caused by generations of children being brought up under conditions of misery, disease, and delinquency. Public action stimulated by Federal funds as provided in this bill is necessary to clear these slums which are a disgrace to the Nation.

The public housing features of this bill are necessary to provide better homes for low-income families at rents that they can afford to pay. There is no other way in the foreseeable future to provide better housing for these low-income groups than the Federal subsidy provided in this bill.

Passage of this bill is needed to make available better housing to the low-income farmer. Rural slums are a blight upon the national landscape and are hazardous to over a million farm families. This proposal to grant Federal loans at low-interest rates is absolutely necessary to make a start on the farm-housing program.

Finally, the program of technical research in the housing field is necessary to modernize the entire home-building program and to utilize new and better methods in our effort to secure the type of homes that Americans need and deserve.

In conclusion, Mr. Chairman, I say that the passage of H. R. 4009 is of the utmost urgency and that the housing program which it embraces is already too long delayed. We cannot afford to wait any longer—the Congress cannot stand idly by and condemn our veterans to a continued and permanent existence in trailer camps and rooming houses. We cannot doom another generation of American children to a childhood spent in disease- and crime-breeding slums. Congress must not fail the American people whose housing needs are critical. I call upon all Members of the House to give their wholehearted support of this measure to establish a comprehensive housing program for the Nation and to vote for its enactment into law.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, for 3 years the United States House of Representatives has been considering the housing problem of the Nation.

Even down to the last nail.

The printed hearings on the subject run into book-length volumes.

An average house, which man once built entirely by hand, has lately become a very difficult and complex study.

Why this should be so is hard to understand.

Shelter is second only to food as a basic requirement for sustaining life.

Thousands of years ago our ancestors learned how to put roofs over their heads, by necessity.

But we, by design or otherwise, seem to have lost that elemental ability.

It is true that we were the first nation to develop the mass-production technique which will, this year, enable us to manufacture 6,000,000 automobiles.

Now, much as we may need and enjoy this form of transport, few people will maintain that a car ranks next to food in priority.

There are some folks who spend so much time in their cars that they appear to live in them, but most will agree that cars, or trailers, will never supplant the home.

However, we are faced with a strange paradox.

We can build cars in quantity but not adequate shelter in quantity.

We have the capital, the skilled labor, the contractors, and a wealth of ingenious products with which to build tenements.

But they are not being built.

Young married couples and their babies have to live with in-laws, creating health problems and social tensions which are not good for anyone.

This is not an extreme example.

It is all too common.

It is midway between those whose heart's desire is to buy a small home of their own at a price which they can afford to pay, and those who are forced to live in the disease-breeding and crime-festering slums of the big cities.

Billions are expended for defense but how much for constructive security?

Or, what good is a strong shell if the substance within deteriorates?

The American people are puzzled and disturbed by our immediate response to external dangers and our lack of interest in home problems.

They suspect that the problem of housing has become the victim of evasive tactics on the part of those who insist on doing business in the good old discredited way.

Some adjustment to reality is necessary for every individual who would be healthy, happy, and become a productive person.

It is no less true of any group or nation.

We in the United States takes pride in our progress.

When we find a new and better technique, we discard the old one.

We know that any business which fails to keep pace with competition, falls by the wayside.

The economy has lived up to this competitive challenge with one glaring exception.

Lagging behind all others is the building industry, stubbornly insisting on outmoded methods, and demanding of owner and tenant alike the excessive costs which they cannot pay.

Behind the scenes of this struggle to provide decent shelter for our people are the lobbyists who ignore the dangerous social implications of their concept of profit and would aggravate those tensions upon which subversion thrives.

In turn, they are their own worst enemies because they are keeping the door shut on the greatest opportunity they have ever had to be of service to themselves and to the Nation.

Look at the vast market for homes and rental units if mechanics, contractors, and realtors, building-material manufacturers and municipalities will only work together to bring costs down within reach of the people who need and want modern living quarters.

The blunt truth is that they are failing to do this.

Instead, they are working at cross-purposes, and missing that integration, imagination, and scientific application with which they could solve the problem.

We have waited and waited, but they have not been able to do the job.

The population is increasing, overcrowding present facilities.

Slum areas, like cancers, are spreading to ageing properties.

And the irony is that the very rent controls which the real-estate interests fight against are extended because these same interests do not show the constructive leadership expected of them.

We would have no rent controls if they had lived up to their responsibilities.

But they did not deliver the goods.

The result is that we still have a housing shortage and rent controls, when we should have had modern housing for most of our people in a free market.

Perhaps they fear that new houses will reduce the value of older ones.

What else are we to expect in a competitive economy where the obsolete must give way to that which is an improvement on the old?

Or do they really prefer the monopoly of the status quo, thereby contradicting that freedom of enterprise of which they speak so fondly?

I wonder.

The State Housing Board of the Commonwealth of Massachusetts for example, estimates that 75,000 families in that State are in need of housing.

Of these, 60,000 are veteran families.

In addition, there is a substantial need for low-rent units and for the clearance of substandard areas.

Nine years ago, when the last Federal census was taken, over 262,000 dwellings in Massachusetts, or 21 percent of the total, were found to need major repairs, or to lack private baths.

Today, most of those structures are still in use and are 9 years older and so much worse.

And this is in one of our higher-average income States.

As Mr. Frederick W. Roche, chairman of that State housing board said at a United States Senate hearing on this subject, and I quote:

> While awaiting action on the Federal level, Massachusetts has not been idle.

The Commonwealth has pushed ahead with its own State housing plans based upon municipal and State credit.

The legislature has authorized the cities and towns to borrow up to a total of $100,000,000 with which to construct housing for rent for 5 years and subsequent sale to veterans, with the State participating to the extent of 10 percent.

Massachusetts has also adopted one of the most extensive public housing programs in the country.

In April 1948 the legislature unanimously adopted a program guaranteeing the notes and bonds of local housing authorities to the extent of $200,000,000 and will make available annual subsidies of $5,000,000 for 25 years to provide rental housing for the low-income veteran families of the Bay State.

In addition, there is permissive legislation authorizing the insurance companies and the savings banks of the State to undertake rental-housing projects.

Means have also been provided whereby urban redevelopment agencies, private and public, can be established to take advantage of any Federal aid.

There are 109 housing authorities in Massachusetts, more than any other State in the Union, each one of which has the statutory power to undertake low-rent housing and urban redevelopment projects.

In spite of its bold and progressive program, Massachusetts cannot do the job alone.

The program still leaves a considerable number of middle- and lower-middle-income families unprovided for, and makes no provision for the lowest-income families.

For this, more funds and more credit are needed.

In the conservative State of Massachusetts, we feel that aid for housing, urban redevelopment, and slum clearance should be a Federal undertaking.

With its broader tax base, the Federal Government is the proper agency to extend the necessary credit, make the necessary loans, and to provide the subsidies or annual contributions needed to absorb the difference between an economic rent and the rent which the low-income family can pay, and to take up the difference in cost between slum land and replanned land.

I believe that those States, like Massachusetts, which took courageous action on their own to make up for congressional delays, should not be penalized for the service they are giving to the citizens. A service which the Federal Government should have provided long before this.

Certain obstacles such as the requirement of the elimination of substandard dwellings, the so-called equivalent elimination requirement, and the limitation of costs to $2,500 per room should be removed. To clear the way for conversion of State-aided projects to a federally aided basis.

A balanced attack on the housing problem requires the participation of private builders and the Government.

A public-housing program restricted to the lower-income families is no threat to private builders because they cannot serve this area without undue risk.

Furthermore, Federal financial aid to cities for slum clearance is a function which only Government can perform.

In fact, this would help private builders by opening up close-in sites at more reasonable land values.

That leaves a mass market of middle-income and lower-middle-income families which the building industry can best serve.

Opposition to public housing projects for the lower-income groups is based on a clearly unrealistic position.

Why should builders waste their time and energy in fighting the inevitable?

They admit that they cannot do this particular job which must be done.

It would be far better for themselves as businessmen, and for those of their fellow citizens who are denied suitable living quarters because of obstructionist tactics, to face the fact that there are sharply defined areas of responsibility, and to proceed accordingly.

An attitude of "my way or nothing" is self-defeating.

It is responsible for the present deadlock.

Meanwhile the problem becomes ever more critical for those most in need of healthy and hopeful housing accommodations.

This is indefensible in view of the reasonable amount of give and take which would clear the way for an over-all solution, a solution that would open up the mass market of low-priced homes for the private builders.

I feel that a housing bill, apart from its emergency objectives, should also encourage private enterprise along the lines suggested in the following letter dated April 15, 1949:

> Hon. THOMAS J. LANE,
> *Lawrence, Mass.*
>
> MY DEAR MR. LANE: We feel that we are one of the largest home builders in New England.
>
> The enclosed Boston Globe supplement evidences this fact; namely, 700 single homes completed in 1948.
>
> The construction of these homes was made possible only by FHA, title VI, section 603, financing, which expired April 30, 1948.
>
> Our plans for 1949 called for the construction of 900 more of this same type of single home to sell in the $7,500 to $8,500 range, but because of inadequate FHA financing we have had to abandon this program.
>
> We are sure that every home builder in New England joins us in urging you to carefully study what this section 603 financing has meant to private housing interests in the past, and earnestly request that you and your colleagues take steps to reestablish same.
>
> I would be pleased to discuss with you, at you convenience, the merits of this type of financing as seen from the home buyers', the banks', and the operative builders' point of view.
>
> Respectfully yours,
> KELLY CORP.,
> JOS F. KELLY, *President.*

The importance of the home in our national economy bulks large when we consider that in normal years:

First. Home construction comprises one-fifth of our total national output of capital goods.

Second. Home indebtedness accounts for almost one-third of long-term private debt.

Third. Residential property provides almost one-half of local tax revenues.

Fourth. Rent and household operations account for more than one-fourth of consumer expenditures.

It is for these reasons that we should encourage the building and buying of homes.

However, in the legislation under discussion, we must give major attention to the emergency aspects of the problem.

And we must bear in mind that our housing shortage is not merely a postwar interlude.

As far back as 1937, one-third of the Nation was ill-housed.

House Report 1564, Joint Committee on Housing, states that at least 5,000,000 families are living in slums, in decrepit shacks that are fire-traps and health hazards, without water and electricity, with rats in the cellar and privies in the back yard.

Over 2,000,000 families are living doubled up.

Another 4,000,000 families are living in dilapidated structures that will soon be slums.

Contrast these facts with the population needs which are increasing at the rate of 2⅓ millions every year and the 2,000,000 new families which are formed by marriage every year.

The cost of new homes has more than doubled since 1939.

People need homes but they have been priced out of the market.

If we did not have rent controls, they would be priced out of lodgings.

The housing industry cannot, or will not, build rental units to keep up with the demand.

In this crisis, the Federal Government must step into the breach and fill the gap.

If it defaults on this obligation, the richest nation in the world will stand indicted for criminal negligence in failing to provide for one of the basic needs of its people.

And it will give to the Communists a ready-made argument with which to foment social unrest.

The slums have been with us a long time, but have the real-estate interests ever done anything about this growing menace?

No.

What is more, they do not want anybody to do anything about it.

They try to rationalize the situation by saying that it is a good testing ground for character, romantically pointing to those who made good in life despite the handicaps of a slum background.

They do not choose to see the disease and crime which also come out of those same slums to threaten the rest of the community.

They even ignore their sole yardstick of dollars-and-cents values.

Rotting slums cause economic losses that are at least 10 times the tax revenues received from them; and the losses from juvenile delinquency, sickness, and crime can never be gaged by an adding machine.

Slum areas' costs in municipal services over revenues is from 3 to 10 times as much per capita as in healthy communities.

For a sample case history, let us take the industrial city of Detroit.

We find that in its slum areas, the pneumonia death rate is 3 times as high as in the rest of the city, crimes are 5 times as high, infant mortality 6 times, tuberculosis death rate 10½ times; and it breeds 15 times as many criminals.

Although real-estate interests frequently make a larger return on their investment from slums than they do from other types of housing, they, too, must eventually pay for the blight of exploitation.

Sooner or later the Federal Government must step in to avert chaos.

The indifferent real-estate operators are solely responsible for the very situation in which they now violently oppose every remedy.

Having caused the disease, they refuse to call the doctor.

They hope to avoid paying their share of the fee, on the wishful assumption that the patient may somehow stagger through on his own.

But I say that the public interest, its health and security, has the paramount claim to our consideration.

We believe in home ownership as one of the main props of our society, recognizing the happiness and freedom that stem from such individual effort and achievement.

But we cannot close our eyes to those areas where so many people, far from owning the dwelling units where they live, cannot secure tolerable rental quarters.

It is in this domain that the homebuilding industry has failed over a long period of years.

And it is this national disgrace which we propose to remedy by legislation to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

To call this socialistic is to becloud the issue.

The housing need is desperate, aggravated by the four postwar occasions on which the real-estate lobby has sabotaged housing legislation.

It is high time that the housing industry changed from a negative to a positive program by modernizing itself and by bringing down the costs of private housing.

In this way it can save the enormous field still open to private enterprise, instead of wrecking that small part of the job which it cannot do.

They should wake up to this reality of 1949, that low-rent housing and slum clearance and the special housing problems of farmers are legitimate goals of Government action.

The most effective service which the housing industry can bring to this problem, if it will, is to so reduce costs that an extension or even continuation of subsidized housing in the future may be unnecessary.

Meanwhile conscience and common sense demand that we take steps to alleviate the distress of millions now barely existing in dark, unsanitary, overcrowded, and dangerous hovels.

Is $350,000,000 a year over a period of 30 years too great a price to pay for a basic, domestic security?

Or would we prefer to lose 10 times that amount through disease, crime, and crippled morale?

The answer is obvious, but the American public is anxious for us to give it form and substance.

Mr. RODINO. Mr. Chairman, as we proceed to the consideration of H. R. 4009, I would like to call to the attention of the Members of the House several significant facts that mark this bill as a signal forward step in the welfare and progress of this democracy.

Unlike various measures that we have considered in the past few years, H. R. 4009 is not just a bill to tide us over through a housing emergency until we can work out something better and more lasting. This bill is the product of long consideration, thorough exploration, and careful and intensive study. It undertakes to establish a national housing policy consistent with American methods and ideals and to equip us to carry out that policy more effectively through the removal of slums, the provision of decent housing for low-income nonfarm and farm families, and the lowering of construction costs.

For the last 4 years this legislation has been under national discussion in the Chambers of the Congress and throughout the Nation. I doubt if any piece of legislation has ever been so thoroughly debated and investigated. The more we have discussed it, the more its basic principles have won support among the Representatives of the Congress and among the people of the country. The time that has been spent in these deliberations has pressed hard on those who have anxiously awaited such assistance to relieve them of their urgent housing problems. But that time may not have been entirely lost, if now, with full understanding and widespread agreement, we act with decision and dispatch, and write into law these measures which will help to bring to the people of this Nation homes that represent the ideals and the strength of a great democracy.

When the war ended and we began once more to attend to the unfinished business of our domestic economy and welfare, housing occupied a top place on our peacetime agenda. We had, prior to the war, made significant advances in improving our housing standards and in broadening the base of good housing and home ownership among our people, including an initial but limited approach to the problems of low-rental housing.

But these earlier efforts, like our immediate programs after the war, were partial, unrelated, and piecemeal attacks on various segments of the housing problem. There was a general recognition at the end of the war that we needed a comprehensive approach and policy in the housing field, one that would provide consistent and appropriate support for a prosperous, stable private enterprise operation and one that would additionally provide for those difficult yet vital areas of housing need which private enterprise could not meet.

The legislation originally introduced in the Congress in 1945 to serve this end embodied a broad range of measures designed both to expand the area of private enterprise operations and to supplement it with Federal aid administered through responsible local authority. This legislation has been extensively and exhaustively studied and debated. It has been

modified in many of its specifics. It has had the benfit of a 6 months' national survey of housing by a joint committee of the Congress. It has been passed in its main principles by the Senate three times. Most of the private enterprise proposals originally introduced have been expanded and enacted into law.

The remainder of this bill, that part which deals with the most neglected areas of our housing need and which undertakes to relate all of our housing activities to a considered and consistent national policy, comes now before this House for the first time. The Members of this House, most of whom have long since known and understood the significance of such legislation, are at long last to be given the opportunity of voting on it. It is a vote long delayed by emergency pressures, by conflict and controversy. The bill, however, comes before the House now with an even greater measure of agreement and conviction throughout the Congress and the Nation, and represents a policy and an approach which has surmounted party and partisan lines.

The bill has for a long time had bipartisan cooperation and support in the Senate. In the House substantially the same proposals have been included in housing legislation introduced this year under the sponsorship of 10 Republican House Members. Substantially the same provisions as are before us today, in fact, were favorably voted out of the House Banking and Currency Committee in the last Congress when the Republican Party had majority control, but were prevented from reaching the floor for a determining vote.

The simple fact is that the problems it deals with are not partisan problems. They are the common concern of Democrats and Republicans alike in their home communities and constituencies, and the assistance that will flow from such legislation will serve the people of our cities, towns, and farms, regardless of any partisan preference.

The bill is presented to us here after full open hearings and further careful consideration in the House Banking and Currency Committee. While paralleling in major respects the bill already passed by the Senate, H. R. 4009 as reported by the committee has been further examined and additions and amendments that were felt to be desirable and necessary have been added.

In the many housing measures that the Congress has taken thus far, it is evident to all that certain fundamental problem areas have remained without hope of cure and that we have lacked a cohesive pattern or well-defined sense of direction both in formulating housing legislation and in its administration.

This bill supplies the missing links of our housing policy. It equips us to attack those difficult and critical problems of slums, low-income housing, and farm housing, and the basic and baffling problem of costs which has grown greater as we have been seeking the most suitable formula for meeting them.

No one offers this housing bill as the final and ultimate answer to all of our housing woes. Even during the 4 years that this bill has been under discussion, additional housing problems have developed with which we must cope. Certainly in the field of middle-income housing, we need further study and action as soon as possible.

But this bill does fill out general basic programs through which our major housing problems can be served. It establishes a framework for our entire housing policy through which, as circumstances now or later require, we can discuss, explore, and enact the type of legislation most likely to serve our needs within an approved and accepted policy.

Under the declaration of policy in this bill, we agree that it is the goal of this country to enable every American family to obtain a decent home and living environment. That policy states, however, that the primary responsibility for accomplishing this goal belongs to private enterprise, with Federal aid to be used for those needs which cannot otherwise be met. There is nothing especially novel or startling in such a policy declaration, since it represents the convictions and practice that we have followed and recognized in this country in many other fields of national interest. It is significant, however, that we should at last declare such a policy with respect to our housing problems and that we should establish such a basis for our housing programs and activities.

We have provided many various measures to support and encourage private enterprise in providing housing to our people, and we shall no doubt add to those, particularly in those lower-cost areas where the need is great and the difficulties real. We have done virtually nothing, other than a limited initial program before the war, to relieve the burden of slums from our hard-pressed cities, or to meet the companion problem of providing decent housing for those whose incomes will not support decent privately owned dwellings, or to cope with our seriously deficient supply of farm housing.

Yet we have some 6,000,000 non-farm-housing units today that are substandard by any reasonable measure of minimum requirements for decent and healthful living. Every fifth family, on the average, in our towns and cities has no choice but to live in a slum dwelling. One-fifth of our families, in fact, had total family-money incomes of less than $2,000 in 1947, and one-third of them less than $2,500.

And while families are obliged to dwell in slums, to rear a large part of the Nation's children under conditions which endanger their future, the cities themselves find themselves drained and bled by the waste and high costs of maintaining and servicing these areas. There is a real and unavoidable cost attached to the reclaiming and redevelopment of these lost and costly areas of our cities, but there is an endless and far greater cost, both economic and human, that must otherwise be paid through the toll of crime, disease, and delinquency and in the progressive liquidation of property values and municipal investments.

We have heard the claim that the cities and States should take care of their own, without Federal assistance, yet we have seen our cities more and more straining under the burden of declining tax revenues and increasing costs, which have stemmed in no small part from the increasing slums and deteriorating blight that has spread farther and farther throughout the central city.

We know that the way to remove slums is to provide decent housing for those who must live there and to remove the slums and redevelop these areas into sound and supportable sections of the city. That is what this bill undertakes to make possible. It leaves the job with the cities where it belongs, but it recognizes that the resources of the Nation, made available through Federal aid, are essential if the cities are to do that job.

For the first time, in this bill, we recognize that the housing of our farm families is no less important to our national welfare than that of our nonfarm population. Rural slums may be less apparent to many of us than those in our cities which surround our places of business and lie athwart the streets that carry us to and from the heart of the city. Nevertheless, in 1947 roughly one-fifth of all our farm dwellings were in need of major repairs and more than two-thirds of the others lacked running water or indoor plumbing facilities. This bill would make available to farmers, who have heretofore been unable to do so, the credit and assistance necessary for them to provide decent housing and buildings on their farms. While it does not begin to cover the full need, it offers a substantial beginning.

Finally, of even broader significance, this bill authorizes the Federal Government to assume an active and leading role in research in the housing field to help bring about improvements in the production of housing and efficiencies of operation which will produce progressive reductions in the basic cost of housing to all Americans. We have indulged long enough in wishful hoping that somehow such industrial progress and modernization in homebuilding would come about. We have had varied and assorted advances in the housing field on a scattered and disorganized front. We have lacked, however, coordination and leadership directed toward the stimulation and coordination of effort in this direction designed to bring about a better organized attack on this persistent and unavoidable problem of costs.

I want to emphasize that all of these things proposed in this bill are within the policy framework in which the Federal Government undertakes only those activities which cannot be carried out successfully without its aid or participation.

In the slum clearance and public-housing provisions, the basic responsibility rests with the local communities. The Federal Government cannot initiate, cannot plan or build a single unit in a single project. It simply stands ready to lend its assistance to those communities which desire and initiate their own projects, which demonstrate their need, and which are prepared to assume the major responsibilities for executing the local programs.

Furthermore, in section after section, the bill is carefully written to assure that Government action in none of these fields will do anything but supplement and assist the operations of private

enterprise. No public housing can receive Federal aid unless there is a demonstrated need that private enterprise cannot serve, and even then a 20-percent gap must be established between the highest rentals for admission into public housing and the lowest rentals at which good private housing, new or old, can be obtained. Private enterprise is also to have the primary responsibility for the redevelopment of slum and blighted areas acquired with Federal aid for redevelopment.

The bill, in short, has been designed and written both to meet the practical requirements growing out of our slums and our over-all housing needs, and at the same time to preserve and strengthen the capacity both of private enterprise and of the local community to do the major part of the job.

It is a bill that first of all undertakes to determine where we are heading in our housing policy, to define the method and framework in which our housing programs are to be conceived and carried out, and then to provide the additional instruments that the country needs to cope with its entire housing problem. This House is now called upon to act upon the proposition of whether a decent place to live and work and rear a family is a reasonable and proper hope of American citizens.

I am for this bill for a very simple reason. I was born in a Newark slum and spent my childhood years in it. I know from personal experience what it is to live in slum surroundings. I can assure you that most of the families who experience the bitter life of the slums look forward to the time when it will be possible to move out of them.

You have heard opponents of this bill say that it is untimely, costly, and unnecessary; that our housing has improved progressively and greatly over the years. A month ago I set out to see for myself. I argued that the first ward in Newark, inhabited by some 20,000 people—the slum in which I was born and lived my early years—would be a good place to see the housing progress claimed by opponents of H. R. 4009. But I found no progress. The slum that had been there when I was born was still there. The only difference was that it was dingier, more dilapidated, more crowded. It was in every way worse than it had been in my childhood. I visited the third ward, also densely populated and another slum area of Newark, and found there conditions paralleling those in the first ward.

In both wards I talked with people who lived there. They talked about their kids and how they hoped that these growing children might live their lives in better surrounding than are afforded by the slums of Newark. I visited nearby cities. The story was the same.

My feeling about the need for this bill is not academic. I have been an active participant in the organization known as the Youth Movement for Rehabilitation of Delinquent Boys. I know the surroundings most delinquent boys come from. The evidence is overwhelming that the slums with their poverty, their dirt, and their ill health are breeding grounds for delinquency. If we wipe out the slums we will have taken a long step toward ending the conditions that foster juvenile delinquency. If we provide the opportunity for decent housing and wholesome play in proper neighborhoods, we can significantly reduce juvenile delinquency.

This is not just mere talk. A number of studies have been made comparing juvenile delinquency in slums and in public housing. One was made in Newark by a Newark University professor. He found that the delinquency rate was 21 percent lower in three public-housing developments as compared with three slum areas. Two of the slums he studied were these same two wards I recently visited.

He reported also that the public housing projects had 45 percent fewer cases of tuberculosis, 15 percent fewer infant deaths, 31 percent fewer cases of children's diseases, 37 percent more births, 74 percent fewer fires, and 100 percent fewer deaths from home accidents. Moreover, the effect of rehousing upon the children in their school life was remarkable. They showed a 7-percent improvement in attendance, 10-percent improvement in academic grades, 16-percent improvement in personality development grades, and 19-percent improvement in health habit grades. Can this be measured in dollars and cents?

Since my visit to Newark and adjoining cities, I have received letters from my constituents, including some from children, urging and pleading with me to support any legislation that will help them to better housing. I welcome their letters, but I do not need to be urged to support this bill. I know at first hand that it is a necessary measure. I am convinced that this Congress can make no greater contribution to the welfare of the Nation than to provide the tools that will enable American cities, large and small, to strike a death blow at the slums.

I am for the urban-redevelopment title of this measure because I know my own city must have help if it is to clear away the blight and rot that afflict it. Newark is not the only city that needs this help. The mayors of other cities tell the same story. The problem we face is a national problem. It is a matter of saving our cities from decay.

I am for the public-housing title of the pending bill because we cannot afford to view this problem only in terms of the physical condition of the cities or as a tax problem or as a planning problem. It is all of these things, but it is also a problem of people. We will not be making progress if we clear the slums and forget to provide homes for the people who live in them. The simple truth is that many of the families who live in the slums cannot afford adequate housing. They are low-income families but they are not improvident nor destitute. They are self-respecting, competent members of our society. In other respects, they are providing for themselves and their children. But the cost of housing today puts good homes beyond their means. The public-housing title of this bill offers a tested and successful method of making good homes available to them.

When I have the opportunity, I will be proud to say that I voted for this bill and all it means to the families of America.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 96. Concurrent resolution authorizing the Clerk of the House, in the enrollment of the bill (H. R. 4332) to make a change.

IMPORT CONTROLS ON CERTAIN COMMODITIES

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5240) to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils, and rice and rice products.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, would the gentleman from Kentucky, chairman of the committee, explain the bill briefly, and also the amendment which I understand he intends to offer?

Mr. SPENCE. Mr. Speaker, this bill merely continues the controls which now exist over the importation of fats and oils. The bill as originally drafted provided for an extension for a year and a half, but at the request of some of the Members we intend to offer an amendment which makes the extension for 1 year. The Department of Agriculture says it is very essential that these controls be continued. I can see no objection to the extension of the controls. There was no objection to the bill in committee and it was unanimously reported, as I recall.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. MURRAY of Wisconsin. Mr. Speaker, I wish to call to the attention of the Congress the fact that this legislation is a little bit difficult to understand. The people who voted for the reciprocal trade treaties a few weeks ago may find it is easier to pass this bill than to face the facts. In the first place, the President, under section 22 of the AAA Act has this authority. This bill

is not necessary at all. I think it would be very appropriate to have a roll call on this bill to find out exactly who it was that supported the reciprocal trade treaties by so voting a few weeks ago. Then we could check up and see if they were for the treaties for everything but vegetable oils. So far as fats and vegetable oils are concerned, more of them were exported in 1948 than were imported. So it would be a good test, I am sure, to have a roll call to find out exactly where you stand on this import business.

I realize it is easy to vote this resolution without a roll call and still not be recorded against the trade treaties. I am for this resolution and voted against the New Deal brand of reciprocal trade treaties. Our vegetable oil friends are for free or freer trade except what is grown in the South.

In 1948 there were imports of $104,596,000 worth of animal and vegetable oils and fats. There was exported $104,000,000 worth of vegetable oil; $420,000 worth of animal fats. Of the vegetable oil imports palm oil accounted for $11,000,000; cocoanut oil, $21,000,000, and tung oil, $27,000,000. Butter imports were $176,000 in value.

In 1948 there were exports totaling $153,603,000 worth of animal and vegetable fats and oils. Of this amount exported there were $20,300,000 worth of soy bean oil; $8,700,000 cotton seed oil; $9,000,000 linseed oil; oleo $1,107,000. The animal fat and oil exports were $87,803,000 in value, and $70,000,000 worth of these exports was of lard.

The League of Women Voters might not be pleased to have the administration leaders use this indirect method of avoiding the effects of the reciprocal trade treaties.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, as amended, and the amendments to existing law made by such title shall continue in effect until January 1, 1951, for the purpose of authorizing the exercising, administering, and enforcing of import controls with respect to fats and oils (including oil-bearing materials, fatty acids, butter, soap and soap powder, but excluding petroleum and petroleum products) and rice and rice products, upon a determination by the President that such controls are (a) essential to the acquisition or distribution of products in world short supply or (b) essential to the orderly liquidation of temporary surpluses of stocks owned or controlled by the Government: *Provided, however*, That such controls shall be removed as soon as the conditions giving rise to them have ceased.

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 1, line 6, strike out "January 1, 1951", where such appears therein, and insert in lieu thereof "July 1, 1950."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time; was read the third time and passed.

The title was amended so as to read: "A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products."

A motion to reconsider was laid on the table.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL—CONFERENCE REPORT

Mr. FOGARTY, from the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 3333) making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the House Calendar and ordered printed:

CONFERENCE REPORT (H. REPT. No. 892)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 12, 13, 15, 19, 26, 29, 35, 36, 37, 38, and 40.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 16, 17, 18, 20, 27, and 28, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,975,600"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$16,600,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$18,900,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,725,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,350,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,675,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,575,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,367,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "996,800"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 25 and 39.

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CHRISTOPHER C. MCGRATH,
CLARENCE CANNON,
FRANK B. KEEFE,
ERRETT P. SCRIVNER,
Managers on the Part of the House.

DENNIS CHAVEZ,
PAT MCCARRAN,
HOMER FERGUSON,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF LABOR

Amendment No. 1: Appropriates $1,154,000 for salaries and expenses, Office of the Secretary, as proposed by the Senate instead of $1,074,000 as proposed by the House.

Amendment No. 2: Appropriates $1,093,900 for salaries and expenses, Office of the Solicitor, as proposed by the Senate instead of $1,064,200 as proposed by the House.

Amendment No. 3: Appropriates $550,000 for salaries and expenses, Bureau of Labor Standards, as proposed by the Senate instead of $391,000 as proposed by the House.

Amendment No. 4: Appropriates $5,506,500 for salaries and expenses, Bureau of Labor Statistics, as proposed by the Senate instead of $5,450,000 as proposed by the House.

Amendments Nos. 5 and 6: Appropriate $5,252,000 for salaries and expenses, Wage and Hour Division, as proposed by the Senate instead of $5,361,000 as proposed by the House, and strike out, as proposed by the Senate, the language identifying the functions under the Fair Labor Standards Act relating to the recommended reduction below the amount in the House bill. The effect of this action and action recommended on amendment No. 3 is to transfer the youth

employment and child labor research activities to the Bureau of Labor Standards.

TITLE II—FEDERAL SECURITY AGENCY

Amendment No. 7: Makes available, as proposed by the Senate, not to exceed $46,000 of the appropriation of the Bureau of Employees' Compensation for expenses of the compensation Board of Appeals, instead of not to exceed $41,000 proposed for that purpose by the House.

Amendment No. 8: Adds clarifying language to the appropriation for certification and inspection services under the Food and Drug Administration.

Amendments Nos. 9 and 10: Appropriate $19,842,760 for grants for further development of vocational education, as proposed by the House instead of $29,301,740 as proposed by the Senate, and restores the language of the House bill providing for apportionment to the States to be computed on the basis of not to exceed $19,842,760.

Amendments Nos. 11 and 12: Appropriate $1,975,600 for salaries and expenses, Office of Education, instead of $1,860,000 as proposed by the House and $2,009,800 as proposed by the Senate, and restore the provision of the House providing that not less than $522,300 shall be available for the Division of Vocational Education. The amount recommended for this appropriation includes $75,600 for the surplus property donation program.

Amendment No. 13: Appropriates $16,000,000 for venereal diseases, Public Health Service, as proposed by the House instead of $17,200,000 as proposed by the Senate.

Amendment No. 14: Appropriates $16,600,000 for assistance to States (general), Public Health Service, instead of $13,600,000 as proposed by the House and $16,800,000 as proposed by the Senate.

Amendment No. 15: Appropriates $7,350,000 for communicable diseases under the Public Health Service as proposed by the House instead of $7,450,000 as proposed by the Senate. The managers on the part of the House and the Senate are in agreement that only a portion of the reduction below the budget estimate should be applied to the malaria- and typhus-control programs.

Amendment No. 16: Appropriates $1,200,000 for administrative expenses, assistance for hospital construction, as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendments Nos. 17 and 18: Appropriate $11,612,000 for mental-health activities of the Public Health Service, as proposed by the Senate instead of $11,387,000 as proposed by the House, of which amount $2,888,000 is earmarked for operation of the Fort Worth and Lexington hospitals as proposed by the Senate instead of $2,663,000 as proposed by the House.

Amendment No. 19: Appropriates $167,000 for expenses of the Public Health Service in connection with Federal employee health service programs as proposed by the House instead of $267,000 as proposed by the Senate.

Amendment No. 20: Appropriates $12,075,000 for operating expenses of the National Institutes of Health as proposed by the Senate instead of $11,800,000 as proposed by the House. Of the increase allowed, $50,000 is to be used, as intended by the Senate, for direct research in gastroenterology and coordinated with research on carcinoma of the stomach under the National Cancer Institute.

Amendments Nos. 21 and 22: Appropriate $18,900,000 for the National Cancer Institute, instead of $16,400,000 as proposed by the House and $21,650,000 as proposed by the Senate, and in addition provide $6,000,000 contractual authority for research and training grants instead of $5,000,000 as proposed by the House and $15,500,000 as proposed by the Senate.

Amendments Nos. 23 and 24: Appropriate $10,725,000 for the National Heart Institute, instead of $7,725,000 as proposed by the House and $16,392,000 as proposed by the Senate, and in addition provide $5,350,000 contractual authority for research and training grants instead of $3,850,000 as proposed by the House and $12,725,000 as proposed by the Senate.

Amendment No. 25, relating to the National Institute of Dental Research, is reported in disagreement.

Amendment No. 26: Strikes out a new item of appropriation proposed by the Senate for special vital statistics projects.

Amendment No. 27: Appropriates $1,200,000 for salaries and expenses, water-pollution control, as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendment No. 28: Appropriates $1,820,000 for salaries and expenses, St. Elizabeths Hospital, as proposed by the Senate instead of $1,750,000 as proposed by the House.

Amendment No. 29, relating to grants to States for unemployment compensation and employment service administration, authorizes apportionment and obligation of the appropriation during the first 9 months of fiscal year 1950 at an annual rate not in excess of $157,500,000 as proposed by the House instead of $160,000,000 as proposed by the Senate.

The managers on the part of the House and the Senate have discussed the facts and circumstances underlying the comments contained in the reports of the committees on this bill with respect to activities of the Interstate Conference, an organization of State employment security administrators. The conferees of both Houses desire to supplement those comments by stating that they were not intended to disturb the cooperative working relationship existing among the State agencies and between the conference and the Federal agencies concerned as regards problems of administration of this Federal-State program. It is agreed, also, that the status quo of the office of the secretary to the conference should be preserved until opportunity is available next year for further consideration of this aspect of the arrangement. The committees are, however, interested in assuring that the efforts of the conference are in the zone of dealing with common problems arising in administration of the program in the States, and therefore in the States' interest, and will wish to review periodically the practical application of the arrangement.

Amendments Nos. 30 and 31: Appropriate $4,675,000 for salaries and expenses, Bureau of Employment Security, instead of $4,450,000 as proposed by the House and $4,900,000 as proposed by the Senate, of which $1,575,000 is allocated for carrying into effect title IV (except sec. 602) of the GI bill of 1944, instead of 1,350,000 as proposed by the House and $1,800,000 as proposed by the Senate.

Amendments Nos. 32 and 33: Appropriate $2,367,000 for salaries for the Office of the Administrator instead of $2,292,000 as proposed by the House and $2,418,000 as proposed by the Senate, together with transfer from the Federal old-age and survivors' insurance trust fund of not to exceed $325,000 instead of $300,000 as proposed by the House and $335,000 as proposed by the Senate.

Amendment No. 34: Appropriates $996,800 for salaries and expenses for the Division of Service Operations instead of $944,800 as proposed by the House and $1,043,000 as proposed by the Senate.

Amendment No. 35: Strikes out a section, proposed by the Senate, authorizing the Administrator to make transfers of funds related to administrative consolidations of functions in the Office of the Administrator.

Amendments Nos. 36 and 37: Relate to section numbers.

TITLE IV—RAILROAD RETIREMENT BOARD

Amendments Nos. 38, 39, and 40, relating to military service credits under the Railroad Retirement Act: The Senate provided for an appropriation of the full amount of $166,852,000 estimated to be due for these credits as of June 30, 1948, such amount to become available to the Board in four equal payments of $41,713,000 in each of the fiscal years 1950, 1951, 1952, and 1953. The Senate has receded on amendments Nos. 38 and 40 in view of the course of action agreed upon with respect to amendment No. 39, which is reported in disagreement and explained subsequently herein.

AMENDMENTS REPORTED IN DISAGREEMENT

Amendment No. 25, relating to the National Institute of Dental Research: The managers have directed that a motion be made that the House recede from its disagreement to the amendment of the Senate No. 25 and concur therein with an amendment, the substance of which will be to provide $100,000 for plans and specifications for buildings and facilities in lieu of the Senate proposal to appropriate the entire amount of $2,000,000 for plans, construction, and equipment.

Amendment No. 39, relating to military service credits under the Railroad Retirement Act: The managers have directed that a motion be made that the House recede from its disagreement to the amendment of the Senate No. 39 and concur therein with an amendment, the substance of which will be to appropriate only $33,000,000 for fiscal year 1950, and an equal amount for each of the years 1951, 1952, and 1953, and in addition not more than $34,852,000 for 1954 with provision making payment of the latter amount subject to final determination of the actual total amount due the account for these credits. This is in lieu of the Senate proposal to appropriate the full amount with provision for payment over a 4-year period.

In conjunction with the motion to be offered, language already in the bill would provide a total of $748,889,000 available in fiscal year 1950 for making benefit payments and trust fund investments. The motion would also appropriate, in the future years specified, funds for military-service credits and thereby supplement the regular appropriation of retirement taxes for payments and investments.

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CLARENCE CANNON,
FRANK B. KEEFE,
ERRETT P. SCRIVNER,
Managers on the Part of the House.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill, H. R. 3333, making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1950, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island for the immediate consideration of the conference report?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 25, page 25, line 3, insert: "Research facilities, National Institute of Dental Research: For the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, as authorized by section 5 of the National Dental Research Act, approved June 24, 1948 (Public Law 755, 80th Cong.), $2,000,000, to remain available until expended, which amount, except such part as may be necessary for incidental expenses for the Public Health Service, shall be transferred to the Federal Works Agency for the performance of the work for which the appropriation is made."

Mr. FOGARTY. Mr. Speaker, I submit a motion, which is on the Clerk's desk.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate No. 25, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"Research facilities, National Institute of Dental Research: For the preparation of plans and specifications for suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, as authorized by section 5 of the National Dental Research Act, approved June 24, 1948 (Public Law 755, 80th Cong.), $100,000, to remain available until expended, which amount, except such part as may be necessary for incidental expenses for the Public Health Service, shall be transferred to the Federal Works Agency for the performance of the work for which the appropriation is made."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: Page 41, line 21, insert the following language: "of the amount of $166,852,000, included herein as an appropriation for military service credits under the Railroad Retirement Act, $41,713,000 shall become available in the fiscal year 1950, and $41,713,000 shall become available in each of the fiscal years 1951, 1952, and 1953: *Provided further*, That."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate No. 39 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following: "there is further appropriated for such account $33,000,000 for each of the fiscal years 1950, 1951, 1952, and 1953, and not to exceed $34,852,000 for the fiscal year 1954, in all not to exceed $166,852,000 for military-service credits under the Railroad Retirement Act, as amended, and before the final payment hereunder the Railroad Retirement Board shall certify to the Bureau of the Budget the total amount due on account of such military service credits: *Provided further*, That."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I should like to make a brief statement summarizing the results of the conference report on this bill. I believe the conference recommendations represent a satisfactory settlement of the differences between the House and Senate versions, taking all factors into consideration. This bill, as Members know, contains many items which directly affect the health and welfare of the people. Items for cancer, heart, dental, and mental health just to mention a few, are very appealing and I feel sure most of us agree that they are very worth while. In total much of the money in this bill is virtually beyond the control of the appropriating committees.

In addition to appropriated funds, the bill carries substantial amounts in the form of contract authorizations and, therefore, in my explanation I shall recite figures dealing with both classes of authorities. In summary, the bill as it came from the Senate carried increases totaling $199,133,180 of appropriated funds above the House bill. In contract authorizations the Senate increased the House bill by $19,375,000, or a total increase above the House bill of $218,508,180. The Senate bill was also $204,142,980 in excess of the budget estimates for the items embraced by the bill. These summary comparisons will give some indication of the difficulty confronting the House conferees in attempting to hold the total close to the total of the House bill.

As I said, I believe we have brought in a report which will meet with approval, especially after the totals are considered. For example, of the total increase of $218,508,180 by the Senate, the House conferees have agreed to $45,753,800, and the Senate conferees have receded to the extent of $172,754,380 insofar as actual appropriations and contract authorizations for the fiscal year 1950 are concerned. The following tabulation shows the various totals and comparisons thereof:

Labor-Federal Security appropriation bill, 1950—summary comparison of conference recommendations

Agency	House	Senate	Conference	Conference compared with—	
				House	Senate
Labor Department	$16,550,000	$16,766,200	$16,766,200	+$216,200	
FSA	1,478,426,585	1,510,491,565	1,488,464,185	+10,037,600	−$22,027,380
Mediation Board	928,500	928,500	928,500		
Railroad Retirement Board	715,889,000	882,741,000	[1] 748,889,000	+33,000,000	−133,852,000
Total	2,211,794,085	2,410,927,265	2,255,047,885	+43,253,800	−155,879,380
Contracts:					
FSA	106,707,300	126,082,300	109,207,300	+2,500,000	−16,875,000
Grand total	2,318,501,385	2,537,009,565	2,364,255,185	+45,753,800	−172,754,380

[1] Represents actual appropriation to be available in fiscal year 1950.

It will be noted from the foregoing tabulation that the conferees recommend an increase of $216,200 over the House bill for the Department of Labor. That is for work in the international labor relations field which the House committee did not have time to give full consideration to when the hearings were held last February.

As to the Federal Security Agency, the conferees recommend $10,037,600 more than was in the House bill but $22,027,380 below the Senate bill. Various items are embraced within those two amounts and are identified in more detail in the statement accompanying the conference report.

The largest single item in conference, appropriation-wise, was the item of $166,852,000 added by the Senate to the appropriation for the Railroad Retirement Board for military service credits. That item was not included in the budget estimates or the House bill, although when the hearings were held by our committee last February, consideration was given to the item. It was the feeling of our committee at that time that after careful consideration it would be more advisable under all the circumstances to go along with the budget recommendations and not appropriate at this time. However, the Senate believed otherwise and included the full appropriation of $166,852,000 with language providing that $41,713,000 of the total should become available to the Railroad Retirement Board in fiscal year 1950 and an equal amount in each of the fiscal years 1951, 1952, and 1953. In conference we did not agree that the full amount should be appropriated for 1950. Also, we felt that there should be some provision made for a report to the Bureau of the Budget, and subsequently to the Congress, as to the exact amount due the retirement trust fund for these credits before the final appropriation is made. Therefore, the conference proposal is to appropriate only $33,000,000 for the fiscal year 1950, rather than appropriate the full amount, and to make an equal appropriation for each of the years 1951, 1952, and 1953, and, in addition, not more than $34,852,000 for 1954, subject, as I have previously indicated, to a final determination of the actual amount due the Board for these military service credits.

AGRICULTURE APPROPRIATION BILL, 1950

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Managers on the part of the House may have until midnight to night to file a conference report on the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES — CLERK HIRE FOR MEMBERS OF CONGRESS; INCREASE OF SALARIES FOR TOP EXECUTIVE OFFICIALS (H. DOC. NO. 238)

The SPEAKER laid before the House the following message from the President of the United States which was read, and together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

I have today approved H. R. 4583, relating to telephone and telegraph service and clerk hire for Members of the House of Representatives. This act provides an additional allowance of $3,000 a year for each Member of the House of Representatives for clerk hire and authorizes an allowance of $500 a year for each Member for sending telephone and telegraph communications.

I have signed this act willingly, for I believe that it is in the interest of the Government and of the people to provide for the efficient conduct of the public business. I have no doubt that the benefits derived from this legislation will fully justify its cost, which is relatively small in the light of the magnitude of the problems confronting the Government.

I feel constrained to point out to the Congress again, however, an opportunity which it has for a greater improvement of the public service than will be accomplished by this legislation, and at approximately the same cost. I have heretofore recommended that the Congress enact legislation to raise the salary scales for the heads and assistant heads of executive departments and other officials of the executive branch having comparable responsibilities. Bills for this purpose have been reported from committees in both Houses of Congress and have been on their respective calendars for weeks. Though the salaries provided in these bills are not, in my judgment, fully commensurate with the great responsibilities of the positions involved, they would substantially better the present demoralizing situation. The cost of this legislation would be approximately $1,300,000 annually, compared with $1,314,000 for clerk hire alone under H. R. 4583, which I have just signed.

Important as it is for Members of the Congress to have adequate clerical assistance, it is at least of equal importance to have men of ability in the key executive positions in the Government. The best of laws can be ruined by poor administration. The success or failure of all the things the United States Government undertakes to do depends in large measure upon the wisdom and ability of these executives. It is upon them that we must rest most of our hopes for economy and efficiency in the Government. Even a small improvement in the economy and efficiency of the vast operations under the direction of these men is obviously of much greater consequence than the cost of the proposed salary increases. The soundness of this principle has been demonstrated in American business concerns, where it is well recognized that the success or failure of an enterprise depends largely upon its executive officers, and their salaries are fixed accordingly.

The relative salary position of Federal executives has become increasingly worse during recent years. There has been no increase in the salaries of Cabinet officers since 1925. Members of important commissions whose salaries were set at $10,000 many years ago still get the same amount. For example, the salaries of Federal Trade Commission members were fixed at $10,000 in 1914 and have never been raised, although in terms of real income that amount, even before taxes, is less than half of what it was 35 years ago. The absurdity of the present situation is illustrated by the fact that many Federal executives now have assistants who receive higher salaries than they do.

The Congress has already recognized the need for greater compensation for other groups of Federal officers and employees, including the Members of Congress themselves. Prior to 1925 Senators and Representatives received an annual salary of $7,500 each. At the same time Cabinet officers received $12,000 and members of important boards and commissions received $10,000. In 1925 the salaries of Senators and Representatives were increased to $10,000 and those of Cabinet officers were increased to $15,000. No corresponding general increase was made in the salaries of other executive officers. In 1946 the Congress further increased the salaries of Senators and Representatives to $12,500, and at the same time provided for each of them a tax-free expense allowance of $2,500. Because this allowance is tax-free, the compensation of Members of Congress is now equivalent to approximately $16,000 a year. Thus the compensation of Senators and Representatives has been more than doubled in the last 25 years, while there has been no general increase at all in the salaries of the executive officials here in question.

Over this same 25-year period the salaries of Federal judges have also been substantially increased. The salaries of district and circuit judges have been doubled, and those of Supreme Court Justices have been increased by more than two-thirds.

The Congress has also raised the compensation of the President, the Vice President, and the Speaker of the House of Representatives. The annual salary of the President was increased from $75,000 to $100,000 earlier this year, and at the same time he was provided with a $50,000 tax-free expense allowance. While this increase was made without any recommendation or suggestion on my part, I am grateful to the Congress for the spirit which moved it to enact the increase speedily in order that I might receive its benefits. Nevertheless the proposed increases for other officers in the executive branch, besides resulting in far greater public benefit than the increase in the President's salary, would actually do more to improve the President's personal situation than the increase in his own salary. For one of the greatest burdens of the Presidency is in finding and keeping good men for big jobs, and under present conditions that is a most difficult task.

The Congress has already recognized the need for increased compensation for Federal employees below the top executive level. Since 1945 the rates of compensation for these employees have been increased three times, largely to meet increased living costs. These increases have been proportionately greater in the lower grades than in the higher, and in the lower grades the total increases range up to 96 percent. The salary schedules for Federal employees still need revision, and I have recommended such revision to the Congress.

I thoroughly approve of adequate salaries for all our Federal employees. Increased prosperity for our Nation depends upon the constant betterment of the living standards of the great body of our citizens. In the promotion of the general welfare, Federal employees should not be neglected. However, I am urging increased compensation for Federal executives not primarily as a matter of equity—although it is well justified on equitable grounds—but primarily as a matter of good business from the standpoint of the Government.

It is customary in private industry for an executive to be paid many times as much as he would be paid for comparable work in Government service. Salaries of $50,000 to $100,000 a year in private industry are not uncommon. In 1948, General Motors Corp. paid to 53 of its officers and directors an average salary of $51,760 each. The 15 top executives of the du Pont Co. were paid an average salary of $213,175 each—an aggregate amount for these 15 men greater than the total salaries now paid to all the 250 or so Federal officers whose salaries would be increased by the legislation before the Congress.

When it is considered that the responsibilities of many top Government executives are far greater than those of any private executive in the Nation, it is evident why the Government has great difficulty in obtaining and keeping the best men. Even when they are prevailed upon as a matter of public duty to serve in the Government, too often they find that they can afford to serve for a limited time only. Thus men are lost to the Government just when they have had the experience which brings them to the peak of their effectiveness. Such a process is obviously poor business and any apparent saving in funds for salaries is obviously a disservice to the taxpayers.

These truths were clearly recognized by the Commission on Organization of the Executive Branch. That Commission urged more realistic salaries for Federal executives as a means of achieving greater economy and efficiency in governmental activities. The legislation for increased executive salaries now pending in the Congress is fully supported by the recommendations of that Commission. So long as the Congress fails to take this simple and obvious step

to improve the Government service, there will be an important gap in our efforts to achieve economy and efficiency.

For the compelling reasons set forth above, I believe that the legislation now pending to increase the salaries of officers in the executive branch is a fundamental step toward the more effective operation of the Government. Therefore, I again urge the Congress to complete favorable action upon this legislation at an early date.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 23, 1949.*

EXPENSES OF INVESTIGATION CONDUCTED BY COMMITTEE ON FOREIGN AFFAIRS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 237) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations, authorized by House Resolution 206, Eighty-first Congress, incurred by the Committee on Foreign Affairs, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of such experts, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXPENSES OF INVESTIGATION CONDUCTED BY COMMITTEE ON AGRICULTURE

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 210) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 112, Eighty-first Congress, incurred by the Committee on Agriculture, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of accountants, experts, investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee or subcommittee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendments:

Page 1, line 8, strike out "or subcommittee."

Page 1, line 10, strike out "or subcommittee."

The committee amendments were agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 233), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 215, Eighty-first Congress, incurred by the Committee on Merchant Marine and Fisheries, acting as a whole or by subcommittee, not to exceed $100,000, including expenditures for employment of accountants, experts, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendment:

On page 1, line 5, strike out "$100,000" and insert "$50,000."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SMITHSONIAN INSTITUTION

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (H. R. 2290) to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Smithsonian Institution is hereby authorized to cooperate with any State, educational institution, or scientific organization in the United States for continuing paleontological investigations, and the excavation and preservation of fossil remains, in areas which will be flooded by the construction of Government dams or otherwise be involved in work related thereto.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $65,000, which shall be available until expended for the above purposes: *Provided*, That at such time as the Smithsonian Institution is satisfied that any State, educational institution, or scientific organization in any of the United States is prepared to contribute to such investigation and when in its judgment such investigation shall appear meritorious, the Secretary of the Smithsonian Institution may direct that an amount from this sum equal to that contributed by such State, educational institution, or scientific organization be made available for cooperative investigation: *Provided further*, That all such cooperative work be carried on by mutual agreement between the Secretary of the Smithsonian Institution and the representative of the State, educational institution, or scientific organization involved: *Provided further*, That where lands are involved which are controlled by the Government of the United States, cooperative work thereon shall be under the provisions of the Antiquity Act of 1906 and the uniform rules and regulations pertaining thereto.

With the following committee amendments:

Page 1, line 9, strike out all after the word "be" and insert in lieu thereof the following: "made unavailable for such investigations because of such construction: *Provided*, That such investigations and activities shall not duplicate nor affect adversely similar operations being conducted by the Department of the Interior in cooperation with the Smithsonian Institution."

Page 2: Strike out lines 1 to 21, inclusive and insert the following matter:

"SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $65,000, which shall be available until expended for the above purposes: *Provided*, That at such time as the Smithsonian Institution is satisfied that any State agency, or any educational institution or scientific organization in any of the United States, is prepared to contribute to such investigation and when in its judgment such investigation shall appear meritorious, the Secretary of the Smithsonian Institution may make available for such investigation such amounts from this sum as shall be equal to the amounts contributed respectively by each such State agency, or educational institution or scientific organization: *Provided further*, That the amount to be made available from this sum for such investigation in cooperation with each such State agency, or educational institution or scientific organization, shall not exceed $5,000 in any fiscal year: *Provided further*, That all such cooperative work and division of the result thereof shall be under the direction of the Secretary of the Smithsonian Institution: *And provided further*, That where lands are involved which are controlled by the Government of the United States, cooperative work thereon shall be under the provisions of the Act of June 8, 1906 (16 U. S. C. 432, 433), and rules and regulations pertaining thereto."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION IN THE DISTRICT OF COLUMBIA OF A STATUE TO SIMON BOLIVAR

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 240) authorizing the erection in the District of Columbia of a statue to Simon Bolivar.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand this is merely authorization to receive a statue that will be constructed through private subscription. Is that a fact?

Mrs. NORTON. That is right.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to grant authority to the Simon Bolivar Memorial Foundation, Washington, District of Columbia, to erect a bronze statue of the liberator, Simon Bolivar, the gift of the Government of Venezuela, including pedestal, on an appropriate site on grounds now owned by the United States in the District of Columbia: *Provided,* That the site chosen shall be approved by the National Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of this statue and proper landscape treatment of the site, so as to provide a proper setting, including planting, walks, and curbs: *Provided further,* That unless the erection of this statue is begun within 5 years from and after the date of passage of this joint resolution, the authorization hereby granted is revoked.

With the following committee amendment:

On page 1, line 9, after the word "That", insert the following: "the design of the statue, including pedestal, and."

The committe amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGIN ISLANDS CORPORATION

Mr. PETERSON. Mr. Speaker, I call up the conference report on the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 870)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That, in order to promote the general welfare of the inhabitants of the Virgin Islands of the United States through the economic development of the Virgin Islands, there is hereby created a body corporate to be known as the Virgin Islands Corporation, hereinafter referred to as the "Corporation." The Corporation shall be subject to the general direction of the President of the United States, or the head of such agency as he may designate as his representative.

"SEC. 2. The Corporation shall have its principal offices in the Virgin Islands and in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be an inhabitant of each of these jurisdictions. The Corporation may establish offices in such other place or places as it may deem necessary or appropriate in the conduct of its business.

"SEC. 3. Subject to the provisions of the Government Corporation Control Act, the Corporation is authorized to engage in the following activities when its finds that such activities will further the purposes of this Act and will not conflict with the encouragement and promotion of private enterprise in the Virgin Islands:

"(a) To examine, investigate, and conduct research and experimentation in the marketing, distributing, advertising, and exporting of products or resources of the Virgin Islands, and to make known the results of such activities.

"(b) To encourage and promote the investment of private capital in industrial, agricultural, commercial, or related enterprises, undertakings, or activities in the Virgin Islands. Insofar as may be possible without jeopardizing the maximum development of the industrial, agricultural, commercial, and related resources of the Virgin Islands for the public good, the Corporation shall formulate its policies so as to encourage and promote the investment of capital owned by residents of the Virgin Islands.

"(c) To engage in land-use planning to the end that the most economic and socially beneficial use may be made of the soil of the Virgin Islands, and to encourage and assist private persons and organizations to act in accordance with the results of such planning.

"(d) To encourage and engage in the business of providing, whenever adequate facilities are not otherwise available, transportation for persons and property between the Virgin Islands and to and from the Virgin Islands, Puerto Rico, and Tortola.

"(e) To encourage, promote, and develop, and to assist in the encouragement, promotion, and development of, tourist trade in the Virgin Islands.

"(f) To encourage the establishment and development of small farms and small farm communities in the Virgin Islands, and, for that purpose, to construct, equip, improve, and supervise such small farms or communities and to give other assistance to them.

"(g) To make loans to any person for the establishment, maintenance, operation, construction, reconstruction, repair, improvement, or enlargement of any industrial, commercial, agricultural, or related enterprise, undertaking, or activity in the Virgin Islands whenever such loans are not available from private sources. All loans so made shall be of such sound value or so secured as reasonably to assure repayment, taking into consideration the policy of the Congress that the lending powers of the Corporation shall be administered as a means for accomplishing the purposes stated in section 1 of this Act, and shall bear interest at a rate not exceeding 6 per centum per annum. It shall be the general policy of the Corporation to establish interest rates on loans, subject to the foregoing limitations, that, in the judgment of the Board of Directors, will at least cover the interest cost of funds to the United States Treasury other expenses of the lending activities of the Corporation, and a risk factor which, over all, should provide for losses that may materialize on loans. The loans made under the authority of this paragraph outstanding at any one time shall not exceed a total of $5,000,000.

"(h) To establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands: *Provided,* That the Corporation shall not engage in the manufacture of rum or other alcoholic beverages.

"SEC. 4. The Corporation shall have, and may exercise, the following general powers in carrying on the activities specified in section 3 of this Act:

"(a) To have succession until June 30, 1959, unless sooner dissolved by Act of Congress.

"(b) To adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) To adopt, amend, and repeal bylaws governing the conduct of its business, and the performance of the powers and duties granted to or imposed upon it by law.

"(d) To sue and to be sued in its corporate name.

"(e) To determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations.

"(f) To acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this Act, and on such terms as may be prescribed by the Corporation.

"(g) To enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, or corporation, as may be deemed necessary or appropriate to the conduct of the activities authorized by this Act, and on such terms as may be prescribed by the Corporation: *Provided,* That in no case shall the Corporation contract to undertake an activity for any agency or instrumentality of the United States, or for any State, Territory, or possession, or for any political subdivision thereof, unless the latter is authorized by law to undertake such activity and furnishes the funds for such purpose.

"(h) To execute all instruments necessary or appropriate in the exercise of any of its functions.

"(i) To appoint, without regard to the provisions of the civil-service laws, such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation; to fix and pay such compensation to them for their services as the Corporation may determine, without regard to the provisions of the classification laws except to the extent that these laws may be extended to the Corporation by the President of the United States; and to require bonds from such of them as the Corporation may designate, the premiums therefor to be paid by the Corporation. In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States or his representative to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board. Persons employed by the Corporation shall not be included in making computations pursuant to the provisions of section 607 of the Federal Employees Pay Act of 1945, as amended. The Corporation shall give due consideration to residents of the Virgin Islands in the selection and promotion of its officers and employees.

"(j) To use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

"(k) To have, in the payment of debts out of bankrupt or insolvent estates, the priority of the United States.

"(l) To accept gifts or donations of services, or of property—real, personal, or mixed, tangible or intangible—in aid of any of the activities authorized by this Act.

"(m) To settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation.

"(n) To take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

"SEC. 5. The Corporation in carrying on the activities authorized by this Act shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government, or of the government of the Virgin Islands; and shall not engage in any undertaking which substantially duplicates an undertaking previously initiated and currently being prosecuted within the Virgin Islands by any such agency or instrumentality.

"SEC. 6. (a) The Corporation is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $9,000,000 outstanding at any one time. For this purpose appropriations not to exceed $9,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Corporation from the revolving fund when requested by the Corporation. Not to exceed a total of $2,750,000 shall be appropriated under any authority contained in this Act for the period ending June 30, 1951, comprising the fiscal years 1950 and 1951.

"(b) As the Corporation repays the amounts thus obtained from the Treasury, the repayments shall be made to the revolving fund.

"SEC. 7. (a) The Corporation is hereby authorized to use its funds, from whatever source derived in the exercise of its corporate powers and functions: *Provided, however,* That the Corporation shall not undertake any new types of activities or major activities not included in the budget program submitted to the Congress pursuant to section 102 of the Government Corporation Control Act, except when authorized by legislation enacted by the Congress after said program is submitted, or except, when the Congress is not in session, upon finding made by the Corporation and approved by the President of the United States that an emergency exists which justifies the undertaking of new types of activities authorized by this act, but not included in the budget program. Such finding and emergency action shall be reported to the Congress by the President, and appropriations for the expenses of such emergency action are hereby authorized.

"(b) The Corporation shall pay into the Treasury as miscellaneous receipts interest on the advances from the Treasury provided for by section 6 (a) of this Act; on that part of the Government's investment represented by the value, at the time of transfer of the property and other assets transferred, less the liabilities assumed, pursuant to section 10 of this Act; and on the net value, as approved by the Director of the Bureau of the Budget, of any property and assets, the ownership of which hereafter may be transferred by the Government to the Corporation without cost, or for consideration clearly not commensurate with the value received. The Secretary of the Treasury shall determine the interest rate annually in advance, such rate to be calculated to reimburse the Treasury for its cost, taking into consideration the current average interest rate which the Treasury pays upon its marketable obligations.

"(c) The Corporation shall after June 30, 1949, contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the corporation's employees and their beneficiaries. The Corporation shall also after June 30, 1949, contribute to the Employees' Compensation Fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts.

"SEC. 8. (a) Appropriations are hereby authorized for payment to the Corporation in the form of a grant, in such amounts as may be estimated in advance in the annual budget as necessary to cover losses to be sustained in the conduct of its activities which are included in the annual budget as predominantly revenue producing. The Corporation's annual budget program shall specifically set forth any loss sustained in excess of the grant previously made for the last completed fiscal year. Appropriations are hereby authorized for payment to the Corporation to cover such additional losses incurred.

"(b) Appropriations are also authorized for payment to the Corporation in the form of a grant, to be accounted for as general funds of the Corporation, in such amounts as may be necessary to meet expenses to be incurred for specific programs which are included in the annual budget as not predominantly of a revenue-producing character: *Provided, however,* That (1) in the case of activities of a predominently non-revenue-producing character the expenses shall not exceed the amounts of the grants for these activities, and that (2) the funds granted under this subsection shall be expended only upon certification by a duly authorized certifying officer designated by the Corporation, and the responsibilities and liabilities of such certifying officer shall be fixed in the same manner as those of certifying officers under the act of December 29, 1941 (55 Stat. 875), as amended (31 U. S. C. 82b–g).

"(c) The Board of Directors shall have the power and duty to appraise at least annually its necessary working capital requirements and its reasonably foreseeable requirements for authorized plant replacement and expansion, and it shall pay into the Treasury of the United States any funds in excess thereof. Such payments shall be applied, first, to reduce the balance attributable to advances outstanding under section 6 (a) and, second, to the Government's investment represented by the value of the net assets transferred under section 10 of this Act and any subsequent similar investments by the Government in the Corporation.

"SEC. 9. The management of the Corporation shall be vested in a Board of Directors consisting of seven members, including the Secretary of the Interior, the Secretary of Agriculture, the Chairman of the Reconstruction Finance Corporation, the Governor of the Virgin Islands, and three experienced businessmen who shall be appointed by the President of the United States.

"The Board shall select its Chairman. The appointed directors shall serve for a period of six years, except that (1) any director appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term, and (2) the terms of office of the directors first taking office after the date of enactment of this Act shall expire, as designated by the President at the time of appointment, one at the end of two years, one at the end of four years, and one at the end of six years, after the date of enactment of this Act. Qualifications of Board members shall include demonstrated ability, attachment to the public interest, impartiality, and diversified experience among its members. The Board shall be responsible for over-all policy making and general supervision. The Board shall meet at least quarterly, at least one of which meetings each year shall be held in the Virgin Islands. The Board of Directors shall act only by a majority vote of those present at a meeting attended by a quorum, and such quorum shall consist of four directors. Subject to the foregoing limitation, vacancies in the membership of the Board shall not affect its power to act. The directors shall receive no salary for their services on the Board, but under regulations and in amounts prescribed by the Board, with the approval of the President or his representative, may be paid by the Corporation reasonable per diem fees, and allowances in lieu of subsistence expenses, for attendance at meetings of the Board and for time spent on official service of the Corporation, and their necessary travel expenses to and from meetings or when upon such official service, without regard to the Travel Expense Act of 1949. The administrative functions shall be centered in a staff of full-time executive officers headed by a President appointed by the Board. The President shall be responsible to the Board for the execution of programs and policies adopted by the Board and for the day-to-day operations of the Corporation. Between meetings of the Board, the Chairman shall see that the Corporation faithfully executes the programs and policies adopted by the Board.

"SEC. 10. (a) There is hereby transferred to the Corporation the following property:

"(1) All property—real, personal, and mixed—now operated by the Virgin Islands Company on behalf of the United States, except the property now operated by that Company for the Department of the Interior which was conveyed to that Department by revocable permit from the Navy Department under agreement dated January 1, 1948. The value of the property so transferred shall be fixed at the depreciated cost as of June 30, 1947, shown in schedule 1 of the Comptroller General's report on the audit of the Virgin Islands Company for the fiscal year ended June 30, 1947, adjusted for all changes from that date to the date of transfer, including depreciation at the rates set forth in said schedule 1.

"(2) All the assets and property—real, personal and mixed, tangible and intangible—of the Virgin Islands Company. The value of the property so transferred shall be fixed at the value shown on the books of the Virgin Islands Company at the date of transfer, subject to any adjustment deemed necessary as a result of the audit required to be made by the Comptroller General under section 105 of the Government Corporation Control Act.

"(3) All of the interest of the United States in the property known as Bluebeard's Castle Hotel situated in the island of Saint Thomas in the Virgin Islands. The value of the property so transferred shall be fixed at a value approved by the Director of the Bureau of the Budget.

"(b) The Corporation shall assume and discharge all of the liabilities of the Virgin Islands Company: *Provided, however,* That such liabilities shall not be deemed to include the balances of relief grants held by the Virgin Islands Company which are invested in the assets and property embraced by paragraph (a) (2) of this section, and such balances shall become part of the investment of the United States in the Corporation.

"SEC. 11. The Secretary of the Interior, the Under Secretary of the Interior, and the Governor of the Virgin Islands, who are the stockholders of the Virgin Islands Company, a corporation created by ordinance of the Colonial Council for Saint Thomas and Saint John, Virgin Islands of the United States, are hereby authorized and directed to take such steps as may be appropriate to dissolve the said Virgin Islands Company.

"SEC. 12. Section 5 of the Act of May 26, 1936 (49 Stat. 1372, 1373; 48 U. S. C., 1946 edition, sec. 1401d), is hereby amended to read as follows:

" 'The Virgin Islands Corporation shall pay annually into the municipal treasuries of the Virgin Islands in lieu of taxes an amount equal to the amount of taxes which would be payable on the real property in the Virgin Islands owned by the Virgin Islands Corporation, if such real property were in private ownership and taxable, but the valuation placed upon such property for taxation purposes by the local taxing authorities shall be reduced to a reasonable amount by the designee of the President of the United States as provided in section 1 of the Virgin Islands Corporation Act if, after investigation, he finds that such valuation is excessive and unreasonable, and any such reduction in valuation, together with the findings on which it is based, shall not be reviewable by any court. The Virgin Islands Corporation shall also pay into the municipal treasuries of the Virgin Islands amounts equal to the amounts of any taxes of general application which a private corporation similarly situated would be required to pay into the said treasuries. Similar payments shall be made with respect to any property owned by the United States in the Virgin Islands which is used for ordinary business or commercial purposes, and the income derived from any property so used shall be available for making such payments: *Provided, however,* That the payments authorized by this section shall not include payments in lieu of income taxes, capital stock taxes, or franchise taxes.'

"SEC. 13. Section 101 of the Government Corporation Control Act is hereby amended by striking out the words 'The Virgin Islands Company' and inserting in lieu thereof the words 'Virgin Islands Corporation'.

"SEC. 14. This act shall become effective on June 30, 1949.

"SEC. 15. This act may be cited as the 'Virgin Islands Corporation Act'."

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

J. HARDIN PETERSON,
MONROE M. REDDEN,
RICHARD J. WELCH,
FRED L. CRAWFORD,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
ROBT. S. KERR,
HUGH BUTLER,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment which is a substitute for both the House bill and the Senate amendment. Except as hereafter explained the conference substitute is substantially identical with the bill as passed by the House.

The House bill (sec. 3 (h)) provided that no activity for the development of industrial, commercial, mining, agricultural, livestock, fishery, or forestry reserves of the Virgin Islands should be undertaken by the Corporation if such activity would be in substantial competition with any existing private enterprise. The House bill (sec. 5) also prohibited the Corporation from engaging in any activity which substantially duplicates an undertaking by any private corporation, partnership, or person. The conference agreement omits these provisions and inserts in lieu thereof a provision to the effect that no activity shall be undertaken by the Corporation unless it finds that such activity will further the purposes of the Act and will not conflict with the encouragement and promotion of private enterprise in the Virgin Islands.

The House bill (sec. 3 (g)) provided that all loans made by the Corporation should be "so secured as reasonably to assure repayment." The conference agreement modifies this provision so as to provide that such loans shall be "of such sound value or so secured as reasonably to assure repayment."

Under the House bill (sec. 4 (a)) the Corporation was given indefinite succession. The conference agreement provides that it shall have succession until June 30, 1959, unless sooner dissolved by act of Congress.

The House bill (sec. 6 (a)) authorized total appropriation not to exceed $9,000,000 for the use of the Corporation, without restriction on the amount to be appropriated for any one fiscal year. The conference agreement continues the over-all authorization but provides that not to exceed $2,750,000 shall be appropriated for the period consisting of the fiscal years 1950 and 1951.

The House bill (sec. 9) provided that the management of the Corporation should be vested in a Board of Directors consisting of seven members, including the Governor of the Virgin Islands, the head of a Government agency designated by the President to exercise general direction of the Corporation, and five other persons appointed by the President for terms of 5 years. The conference agreement provides that the Board of Directors shall consist of the Secretary of the Interior, the Secretary of Agriculture, the chairman of the Reconstruction Finance Corporation, the Governor of the Virgin Islands, and three experienced businessmen to be appointed by the President to serve for terms of 6 years.

The House bill (sec. 9) provided that the President of the Board should be elected by the Board from among its members. The conference agreement removes the requirement that the President be selected from the membership of the Board.

The Senate receded from its amendment to the title of the bill.

J. HARDIN PETERSON,
MONROE M. REDDEN,
RICHARD J. WELCH,
FRED L. CRAWFORD,
Managers on the Part of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. MARTIN of Massachusetts. I understand from the reading of the statement that the greatest change is one providing a limitation on the amount involved.

Mr. PETERSON. A limitation on the appropriation and a limitation which requires that the loan be sound. They are more or less restrictions which really, in my opinion, strengthen the bill and safeguard the Government.

Mr. MARTIN of Massachusetts. I thank the gentleman.

Mr. PETERSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include several newspaper articles.

Mr. BLATNIK asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include an editorial from the Trenton Evening Times.

Mr. LINEHAN (at the request of Mr. PRICE) was granted permission to extend his remarks in the RECORD.

THE TRAFFIC MANAGEMENT PROBLEM IN THE FEDERAL GOVERNMENT

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, in the course of consideration of the Federal Property and Administrative Services Act on the Senate side, there developed a question affecting in such an important way the problem of executive reorganization that I desire to discuss it briefly at this time. It is a problem with which we in this chamber are likely to become involved, as the work of the subcommittee on Executive and Legislative Reorganization, of which I am chairman, progresses.

I refer to the problem of traffic management, which is an important aspect of the whole procurement problem in the Federal Government. This is basically and fundamentally a problem of management; yet, although it has nothing whatsoever to do directly with the regulation of public utilities, members of the Committee on Interstate and Foreign Commerce in the Senate have seen fit, not merely to raise objection to certain provisions in the Federal Property and Administrative Services Act relating to traffic management, but to insist upon their deletion from this vitally important piece of legislation, as the price of their consent for consideration of the bill under unanimous consent.

This whole proceeding seems to me to have been based upon a total—or gross—misconception of the problems involved.

The regulatory aspects of the public utility problem are concerned with reasonableness of rates, adequacy of service, safety precautions, and other similar and related matters. It is with these aspects of the problem that the regulatory agencies are concerned, and with which, as their legislative counterparts, the Committees on Interstate and Foreign Commerce are concerned. With that, there can be no quarrel.

In the Federal Property and Administrative Services Act, however, the problem is fundamentally different. In this bill, we are concerned, not with the regulation of utilities, but with their use; not with the reasonableness of rates or the adequacy of service, but with the means by which, under existing rate structures and service schedules, the Government of the United States, as a major consumer of transportation services, can obtain the most efficient service at a minimum cost. This, I maintain, is a problem of management, of good administration, which has no more relation to the problems of utility regulation than has the purchase of the electric current which lights my home. Consequently, it is no concern of the Commerce committees, but under the provisions of the Legislative Reorganization Act of 1946, a direct responsibility of the Committees on Expenditures in the executive departments.

The distinction which I am now seeking to clarify and establish, so far as the procedures of this body are concerned, is nothing new. The Hoover Commission recognized and accepted it, as is abundantly clear from an examination of their reports. Their treatment of the regulatory problem and of the agencies concerned therewith, will be found in the commission's report on the regulatory agencies, while its consideration of the Government's use of the services of public utilities is found, as it should be, in the report on the Office of General Services, which deals with the supply activities of the Federal Government.

There are a number of reasons why I feel fully justified in directing your attention to this problem at this time. The first is the magnitude of the problem. The Federal Government spends approximately $1,000,000,000 a year for transportation services; this amount, I am informed, constitutes in the neighborhood of 10 percent of the total receipts of the carriers. At the same time, it represents about 2½ percent of the total Federal expenditure, on the basis of an annual budget of $40,000,000,000. This is clearly a large enough item to warrant careful attention, especially when one realizes that a fairly considerable part of this item for transportation is expended unnecessarily.

Extensive hearings on this general question, and with special reference to overcharges, were held by the House Expenditures Committee during the Eightieth Congress. The testimony showed that the amount of these overcharges for the transportation of persons as well as of property, runs annually into hundreds and hundreds of thousands of dollars. While no complete estimate of the total amount involved in these overcharges has ever been compiled, spot checks disclose the fact that these losses must, in the aggregate, reach staggering proportions. For instance, the Comptroller General testified that in the reaudit of freight vouchers accounting for a total disbursement of $14,716,970, there had been overpayments in the amount of $2,671,796, representing a percentage loss of 18 plus. In the reaudit of passenger vouchers accounting for a total disbursement of $12,428,176, there had been overpayments in the amount of $359,543, representing a percentage loss of approximately .03. In this connection, it is obvious that the property transportation item is by far the more important.

The record over the years shows that the efforts of the Federal Government to deal with this situation have been feeble and hesitating. There is not, after all these years, any comprehensive legislation dealing with the subject; such efforts at control as have been carried on have been based primarily on Executive Order 6166 of June 10, 1933, and in part on fragmentary bits of legislation. When one takes into account the fact that the Treasury Department has never been given funds for the purpose sufficient to make possible the employment of an adequate staff, and that the Executive order under which it operates has often been interpreted in an unduly restrictive manner, it is small wonder that the serious losses here described have come to be a matter of regular occurrence.

The Expenditures Committee is determined to deal legislatively with this entire problem of property management and general services, in all of its various aspects. The field is one of enormous size and complexity. When this House passed the Federal Property and Administrative Services Act without a dissenting vote on June 8, approximately 2 weeks ago, we took a long and very significant step forward. This is an excellent beginning; by it, the House has laid the foundation for a system of economical and efficient housekeeping services for the Federal Government. Not all the tools necessary for doing the job have, however, been provided in this bill.

We propose to round out this legislation by the addition of successive titles dealing with such subjects as records management, traffic management, statistical services, and other matters. It is proposed also to maintain a careful and continuous scrutiny of the performance of the executive departments and agencies, under the provisions of this law as was the clear intention of the Congress when it passed the Legislative Reorganization Act of 1946. It is my hope that, by placing this information—a kind of progress report—before the Members of the House at this time, the Subcommittee on Executive and Legislative Reorganization may have your continued interest and support as it proceeds with this very important phase of the reorganization program.

EXTENSION OF REMARKS

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include therein an analysis of the Hoover Commission reports prepared by the staff notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $187.50.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the International Chiropractors' Association, together with some statistics on pending health legislation.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an editorial.

Mr. SHAFER asked and was given permission to extend his remarks in three instances.

Mrs. BOLTON. Mr. Speaker, being very much interested in the movement toward a national theater in the United States, I ask unanimous consent to place in the RECORD a very fine article written by our distinguished colleague from New York [Mr. JAVITS] from the magazine Tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JAVITS asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and to include certain newspaper material.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a recent remarkable address by a former colleague and at present delegate from the Philippines to the United Nations, Hon. Carlos Romulo; and in the other to include extraneous material.

UNEMPLOYMENT IN WESTERN PENNSYLVANIA

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I take this time to read to the House a memorandum which I received a few days ago, which calls attention to the seriousness of the unemployment situation in western Pennsylvania:

MEMORANDUM TO ALL CONGRESSMEN, WESTERN PENNSYLVANIA AND WEST VIRGINIA, FROM STANLEY L. LONEY, PRESIDENT, DISTRICT 6, UE-CIO

This week end a small delegation of unemployed workers from shops represented by the United Electrical, Radio and Machine Workers of America, will be in Washington. The purpose of the delegation is to discuss with various public officials and Congressmen the growing unemployment in America.

There have been numerous statements made by public officials to the effect that we are experiencing a healthy "readjustment," or a "shakedown," or that this is just a small "recession" and nothing to get worried about. But we in district 6 are extremely worried about the situation.

Today in UE district 6, which covers western Pennsylvania and West Virginia, we have approximately 15,000 UE members unem-

ployed. The major part of this unemployment has occurred since the first of the year. These unemployed workers are not "drifters," or high school students, or seasonal workers. They are men and women who must support themselves and their families. In some cases they have been working as long as 12 years in the plant, and have now been laid off with no prospect of getting their jobs back.

These are the figures for our district: 10,000 out of a total of 40,000 workers are laid off in Erie, Pa.—5,000 of these are UE members from the refrigerator division of the General Electric plant there. The other 5,000 are steel and other workers. In Pittsburgh at the big Westinghouse plant, the employment during the war was 23,000. After the war it dropped to 18,500 and remained at this figure until the first of this year. Now there are 14,500 employed in the plant, and there are some 4,000 people unemployed and unable to get jobs.

In Williamsport, Pa., out of a total of 15,000 workers in the town, 5,000 are unemployed—one third of the entire labor force! In Sharon, there are 1,000 UE members jobless, and many more steel workers; in Wilmerding and Swissvale at the Westinghouse Airbrake and Union Switch and Signal plants there are 1,500 unemployed out of 7,000 members of UE. The company has notified the union that 2,000 more will be laid off at the end of this month.

In smaller communities throughout our district we have additional hundreds of unemployed; 400 at Huntington, W. Va., plant; 400 at Fairmont, W. Va., Westinghouse plant; 200 in St. Mary's, Pa.; 140 Sylvania workers in Emporium with an expectation of 400 more to be laid off soon; the only other two industries in Emporium, a community of 5,000, are a leather plant and a cuticle-instrument plant. Both are shut down.

In the Pittsburgh area, where steel is the basic industry, the day-by-day reports are becoming more ominous as to the outlook for this industry. Up until a few months ago, this industry was working at 98 percent capacity. Now industry spokesmen estimate they will be working at 75 percent of capacity by the end of the year, and they are now working at only 83 percent capacity. All back orders will be wiped out by the end of June. Lay-offs have started in the steel industry with Carnegie-Illinois and Jones & Laughlin closing down furnaces, as well as Ludlum Steel, Crucible, and others.

It is easy enough to say that such lay-offs are a "readjustment." But the worker who is looking for a job and is trying to live on $20 a week unemployment insurance does not feel well adjusted.

The district UE is not speaking of this problem academically. We are, at present, in day-to-day touch with unemployed workers. We know, for example, men who have five and seven children to support. These men have been forced to get relief to complement their unemployment insurance. They are not able to find a job, although they look for work every day. There is no hiring at any plant in Pittsburgh to our knowledge. There are no jobs at the Unemployment Compensation Bureau.

These are the problems. There is no question in our minds but that something must be done about it, and quickly.

We are informed that there is no legislation introduced for any actual over-all public works construction program to meet rising unemployment in distressed communities. There are two or three bills which aim in this direction, H. R. 3086 and S. 707, which provide $50,000,000 for advance planning of public works. S. 281 and H. R. 1177 authorize a "capital development" fund of $15,000,000,000 to be administered by the RFC for the purpose of full employment. Our union supports these bills as a step in the right direction. However, they are not nearly sufficient, and we firmly believe that the Congress must take steps to authorize a full-fledged program to keep America at work.

The UE also supports strongly the extension of the veterans' 52–20, especially since at least half of the veterans have never used these benefits, and now is the time that they need them.

We believe, too, that our tax program must be revised to lift the tax burden from the low-income people and place it where it belongs, on the corporations and wealthy individuals. This will help stimulate purchasing power and provide the income for a public works program, housing, social security, etc.

I should appreciate hearing from you as to your reactions on the situation I have presented in this letter.

Yours very truly,

STANLEY L. LONEY, *President*.

FAIR LABOR STANDARDS ACT OF 1938

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 264) for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 858) to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries, with Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and the same are hereby, agreed to.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter addressed to the Speaker of the House by the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The letter is as follows:)

THE WHITE HOUSE,
Washington, June 17, 1949.

MY DEAR MR. SPEAKER: I am very pleased to learn that the House plans to take action on H. R. 4009, the Housing Act of 1949, at an early date. This means that we are close to success in the 5-year struggle to enact housing legislation that will strike at the core of the Nation's critical housing problem.

I have been shocked in recent days at the extraordinary propaganda campaign that has been unleashed against this bill by the real-estate lobby. I do not recall ever having witnessed a more deliberate campaign of misrepresentation and distortion against legislation of such crucial importance to the public welfare.

The propaganda of the real-estate lobby consistently misstates the explicit provisions of the bill, consistently misrepresents what will be the actual effect of the bill, and consistently distorts the facts of the housing situation in the country.

I know that most of the people engaged in the real-estate business and the homebuilding industry in this country are decent, respectable, honorable citizens. But there is a little group of ruthless men, claiming to speak for the members of these industries, who spend their time attempting to block progressive housing legislation. By letters, circulars, and paid advertisements, they continue to spread their misstatements, hoping that people will eventually accept them as true.

I am extremely anxious that when the Members of the House vote on this important legislation they should be aware of the false and misleading nature of this propaganda. Consequently, I ask the privilege of calling to their attention some of the more flagrant claims of the real-estate lobby and the true facts concerning those claims.

1. The real-estate lobby claims that H. R. 4009 will cost the Federal Government $20,000,000,000.

This is an exaggeration of approximately 100 percent. The actual cost of the bill will be about $10,000,000,000, spread over a period of some 30 years.

The bill authorizes four programs—slum clearance, low-rent public housing, housing research, and aids to farm housing. Their respective costs are as follows:

(a) The slum-clearance program will authorize a total sum of $500,000,000 in grants to localities to assist them in wiping out slums and blighted areas and redeveloping those areas in a sound and healthy manner. This sum would be the total out-of-pocket cost to the Federal Government, except for administrative expenses. The bill will also authorize a $1,000,000,000 revolving fund for loans to localities. These loans will be for a maximum period of 40 years, and will bear interest at the going Federal rate—approximately 2½ percent. Since these loans are to be repaid, with interest, this sum does not, of course, represent a cost to the Government.

(b) The low-rent public-housing program in H. R. 4009 will authorize Federal assistance for the construction of 1,050,000 housing units. These units will be constructed by private builders under contracts let by local public-housing authorities, which are agencies of State and local government.

The construction cost will be financed through bonds issued by the local housing authorities and sold to private investors. The bill authorizes a revolving fund of $1,500,000,000 for loans to these local housing authorities. It is expected that this authority will be used principally to support temporary financing of the projects during construction. Any loans so made are to be repaid to the Government with interest.

The major Federal assistance provided by the bill will be in the form of annual contributions to local housing authorities in amounts required to make up the difference between the rents which low-income families can afford to pay and the costs of operating and maintaining the projects and retiring their bonded indebtedness. The bill establishes maximum limits for such annual contributions, when all the construction has been completed, of $400,000,000 per year for 40 years. In fact, however, experience with public-housing projects built under the United States Housing Act of 1937 has demonstrated that the actual contribution required on the average will be less than the maximum which must be authorized. A fair estimate of the annual contributions which will actually be

made is 75 to 80 percent of the maximum, or about $300,000,000 to $320,000,000 per year. Furthermore, annual contributions will probably be required only for 29 to 33 years, on the basis of the interest rates and amortization schedules expected for local authority bonds in the investment market.

The total cost to the Government of the low-rent housing program is therefore estimated at $9,000,000,000 to $10,000,000,000, plus administrative expenses, over a period of 29 to 33 years. Thereafter, the financial obligation of the Federal Government will cease, and the low-rent housing projects will continue in local ownership and operation.

(c) The housing research program authorized by the bill should not cost more than $5,000,000 a year in the foreseeable future. The exact cost will be determined by the amount annually appropriated by the Congress. The objective of this program, of course, is to make possible reduced building costs and improved housing standards whose value will be many times the Federal expenditures involved.

(d) The farm housing program in H. R. 4009 will authorize a loan fund totaling $250,000,000. Loans made under this authority, to finance the construction or improvement of farm housing and buildings, will be repaid, with interest. In addition, for farmers whose incomes are now insufficient to guarantee repayment of such loans, but whose farms can be made self-sustaining through a program of farm improvements, the bill authorizes the Secretary of Agriculture to meet part of the debt payments by making contributions for not more than 10 years and totaling not more than $50,000,000. Furthermore, to assure a minimum standard of decency for farmers on submarginal farms, which cannot be made self-sustaining, the bill authorizes $12,500,000 in grants to finance minimum repairs to farm houses and buildings. Thus, the actual cost to the Federal Government of this farm housing program, except for administrative expenses, is expected to be not more than $62,500,000 over a period of some 10 to 15 years.

These facts demonstrate the inaccuracy of the real-estate lobby's propaganda. In order to reach their estimate of total cost, they assumed the maximum possible annual Federal contributions for low-rent housing (which will not occur), they counted Federal loans as costs (when in fact they are to be repaid, with interest)—and on top of that they added a few hundred million fictitious dollars for which the bill offers no shred of support. This is a shocking example of an attempt to deceive the public and to stampede Members of Congress. I am confident that the House will not be misled by such tactics.

The real issue involved in this bill is whether the Federal Government should provide practical, workable and carefully limited assistance in improving the standard of housing of the American people and relieving the conditions of slum housing in which too many of our families are now forced to live. Of course this will cost money—and the facts on the cost are stated above. When the actual costs are balanced against the potential benefits to the welfare—and indeed the national security—of our people, I believe there can be only one answer—to enact this legislation. Apparently the real-estate lobby is of the same opinion, since it refuses to debate the bill on its merits, but instead is resorting to false propaganda.

2. The real-estate labby claims that each low-rent public-housing unit will cost more than $15,000.

The facts are that the amount of money provided in H. R. 4009 to build 1,050,000 dwelling units will permit an average cost, at the most, of $8,465.

The plain language of the bill requires the utmost economy and simplicity in construction standards consistent with providing decent and durable housing. Naturally, the construction costs will vary among different parts of the country, and the bill provides a normal ceiling of $1,750 per room. In most parts of the country this amount will be sufficient, but in order to permit construction in a few of the high-cost areas, where the need is equally great, the bill permits a maximum cost per room of up to $2,500.

The real-estate lobby seized this upper limit figure, multiplied it by five rooms, and added $2,500 for land and utilities, in arriving at its claim that all the units built would cost $15,000. Even at today's construction costs—and costs are dropping—few housing projects, if any, even in the highest cost areas, will require an expenditure of this amount per unit. Over most of the country the figure is utterly absurd. A representative group of the private contractors who had built housing projects under the 1937 act were asked early this year what the current cost of duplicating those projects would be. Their replies ranged from less than $1,250 per room to $2,250 per room, and two-thirds were below $1,750 per room.

There is no foundation, therefore, either in the bill or in the current costs of building, for this charge by the real-estate lobby.

3. The real-estate lobby claims that there is no longer any pretense that public housing is for the poor.

The facts are that H. R. 4009 requires local public-housing authorities to give preference for admission to public-housing projects to low-income families having the most urgent housing needs. Furthermore, the bill requires the local authorities to establish upper-income limits for admission to public-housing projects—income limits calculated to admit only families whose incomes are at least 20 percent below the income needed to pay rents charged in that locality for adequate private housing, whether new or old. These income limits will vary among different localities; at the present time five-sixths of the local housing authorities have maximum limits of $2,200 or less.

Thus only families of low income can be admitted to public-housing projects.

Furthermore, the bill requires local public housing authorities to reexamine tenants' incomes each year, to adjust rents upward where appropriate, and to require families to move whose incomes have risen to a point where they can afford adequate private housing, so that additional low-income families can be admitted to the project.

Actual experience in the present low-rent public-housing projects, built under the 1937 act, demonstrates that the bill will work in practice the way it it is intended. In the first half of 1948, the average income of the families admitted to the present low-rent projects was $1,480. The average family income of all tenants in these projects who were eligible to remain was $1,590. These figures are well below the average of the lowest one-third of city and town family incomes.

Under these circumstances, it is obvious that "the poor," as the real-estate lobby calls them, are precisely those who will benefit from public housing.

In recent years a number of families have been permitted to stay in public-housing projects even though their incomes rose above the upper limit. This was done in some cases in order to provide housing for war workers, in other cases because of the acute housing shortage since the war. As a matter of fact, an act of Congress was in effect from July 1947 until August 1948, prohibiting eviction of such families where hardship would result. Since last August, many of these families with over-limit incomes have been moved out, and by the end of this year, all ineligible families will have received notices to vacate.

The false claim that public housing will not benefit low-income families demonstrates the unpleasant dog-in-the-manger attitude of the members of the real-estate lobby. They know that the private-housing industry is not supplying, and cannot in the foreseeable future supply, adequate housing for low-income families. They know that H. R. 4009 specifically provides that public housing will be provided only for those with incomes at least 20 percent less than that needed to afford private housing. Knowing all this, they assert a plain falsehood in their effort to prevent us from doing what is necessary to provide housing for low-income families. I am glad to know that more and more members of the building industry are repudiating the blind and selfish dictation of the real-estate lobby.

4. The real-estate lobby claims that public housing will not be used to clear slums, but will be built in areas where it can compete with private housing.

This claim is an excellent example of distortion of facts to confuse the people. I have already pointed out the provisions of the bill which insure that public housing will not compete with decent private housing, no matter where it is built. It will, of course, compete with slum housing—that is its purpose.

As to the claim that public housing will not be used to clear slums, the facts are as follows:

H. R. 4009 will authorize the first direct large-scale attack on slum areas we have ever had in this country. It provides a practical, realistic method for clearing blighted areas in cities and towns throughout the country.

When those slums are cleared away, it may be best to build public housing where

they have been; it may be best to build private housing there; it may even be best not to build anything there, but to use the land for parks. In any event, the local community will decide what shall be done in each case.

The purpose of the public-housing provisions of the bill is to provide adequate housing for low-income families who are now forced to live in substandard quarters. Whether a public-housing project is built in an area where slums have been cleared away or elsewhere in the city or town, families who lived in cleared slums have a first priority for admission to the project, provided they meet the income standard.

Thus, the bill does provide for slum clearance, and it does provide for public housing. But it does not, and should not, compel local housing authorities to erect public-housing projects in every case exactly where the old slums were. To do so would obviously be ridiculous.

5. The real-estate lobby claims that the wishes of a local community will not be consulted but Government housing will be imposed.

Nothing could be further from the truth. No slum-clearance or public-housing project can be initiated under the bill by anyone but a local agency, established under State and local law by the people of the local community. Before the local agency can request Federal assistance, its proposals and plans must be specifically approved by the local city council or other governing body. The members of the local boards responsible for making plans, awarding contracts, supervising clearance or construction work, and operating the housing projects, are appointed not by Federal officials but by the mayors or governing bodies of the local municipality. The role of the Federal Government is very carefully restricted by this bill to furnishing technical advice and financial assistance, and assuring that the requirements of the law as written are faithfully observed.

The real-estate lobby wants people to forget that for the past 10 years we have had public housing projects of exactly this nature, in communities all over this country. The unpaid, public-spirited men and women who head the local housing authorities have been drawn from local business, professional, labor, and farm groups—including, in many cases, members of the real estate and building industries. These men and women have been the first to testify that local wishes have been respected and local rights safeguarded.

This claim by the real-estate lobby is an obviously false attempt to conjure up the specter of Federal domination, which is completely refuted by the plain language of the bill and by 10 years of practical experience.

6. The real-estate lobby, which last year cried that we should not construct new public-housing projects because private builders were building everything that was needed, this year is arguing that we should not construct public-housing projects on the claim that there is no longer any need for them.

Both claims are fallacious. Neither last year nor this year have private builders been producing houses to meet the needs of the low-income families who will be served by this bill. The average rent of private rental projects insured by the Federal Housing Administration in 1948 was $87.50 per month. This rent is clearly beyond the means of a family with an annual income of less than $4,000. Practically no private rental projects have been constructed to rent for as little as $60 a month—a rental which can be assumed, though with difficulty, by a family with an annual income of $3,000.

Two conclusions are inescapable. First, low-income families cannot afford the housing that is being built. Second, it should occasion no surprise that the private building market for higher-priced housing is tapering off—it is easy to saturate the market for housing in this country at monthly charges of $87.50 or more. This is happening now, even though the housing needs of millions of low-income and middle-income families remain unmet.

This claim by the real-estate lobby is clear proof that many members of the private building industry are still looking backward to the days when the housing industry went through violent fluctuations—building as fast as possible for several years, then building hardly anything for several years. Those fluctuations contributed greatly to the boom-and-bust cycle of the twenties and early thirties.

Instead of trying to go back to those days, the private building interests should be doing everything they can to bring about a steady flow of home building and a steady improvement of housing standards, which will contribute to the steady growth of our economy. H. R. 4009 will help strongly to bring about the steadier rate of home building that is so badly needed. Instead of wasting their energies trying to block the bill, the spokesmen for the private building industry should be searching out ways to reach the great demand for housing among families of middle income for whom adequate homes are not being built now and who will not be aided by low-rent public housing. If they would do this, they would find a tremendous and profitable market.

7. The real-estate lobby even attempts to twist the local tax features of the low-rent housing provisions of H. R. 4009 into an argument against the bill.

From the beginning of public-housing projects in this country, local governments have been required to make a contribution equal to 20 percent of the Federal contributions. Cities and towns uniformly have chosen to make this contribution in the form of exemptions from real- and personal-property taxes. H. R. 4009 simply writes this practice into law, unless the locality is legally barred from doing so, in which case the local contribution may be made in cash.

In order that the public-housing projects shall bear a fair share of the cost of municipal services, such as schools, streets, and so on, H. R. 4009 authorizes payments in lieu of taxes equal to 10 percent of the rental income of the project.

These are sensible and time-tested arrangements for achieving a reasonable and proper local participation in the cost of the projects. The payments in lieu of taxes will not, and should not, be equivalent to full local taxes. The local government should make some contribution to the subsidy needed to achieve low rents. To contribute through tax exemption is the best means that has been found.

It is noteworthy that municipal officials do not oppose this tax exemption—in fact, they strongly support it. It can only be concluded that the people who know most about the financial needs of our cities and towns, and who are honestly concerned with keeping their fiscal affairs on a sound basis, understand that the benefits to be obtained by the cities and towns from the provision of decent low-rent housing under this bill are far greater than any costs which they will incur through tax exemptions or otherwise.

8. The real-estate lobby claims that to provide adequate housing for low-income families will encourage indolence and shiftlessness and destroy thrift and initiative.

This is the hoary old chestnut that has been used as an argument against proposals to advance the public welfare ever since the Nation was founded. It was used against public education a hundred years ago. It was used against minimum wage laws 50 years ago. Apparently the real-estate lobby thinks it still has some propaganda value, even though it has been disproved time and time again.

The plain fact is that thrift, industry, and initiative are encouraged, not discouraged, by clean and decent housing. It is among people who are forced to live in firetraps, in crowded tenements, in alley dwellings, that are found the highest rates of poor health, poor education, juvenile delinquency, and the other disabilities that sap energy and initiative, and result in heavy costs to the community. The provision of adequate housing for the people to be aided by this bill will be a long step forward toward a happier, more thrifty and industrious people in our Nation.

9. The most loudly proclaimed propaganda argument of the real estate lobby against this bill is the claim that it is socialistic.

Insofar as this argument is intended seriously, it is false. H. R. 4009 will strengthen, not weaken, private enterprise. Private builders, operating under contracts, will construct all of the housing projects to be built under the bill. The requirement for a 20-percent gap between the upper rental income limits for admission to public-housing projects and the lowest rents at which adequate private housing is being provided, new or old, for rent or for sale, assures that there will be no competition between public housing and private enterprise. The local public housing authorities will sell their bonds on the private investment market. Under the farm-housing program, loans would be made only to those farmers who are unable to secure credit from private sources on terms they can afford to pay. The research program authorized in the bill

is specifically designed to enable the private housing industry to serve a much broader market through improved methods and lower costs.

I am sure, however, that this argument by the members of the real-estate lobby is not meant seriously. They know better. And so do the many individuals and organizations who have studied the facts of the matter and concluded that the bill is desirable. The 24 Republican and 33 Democratic Members of the Senate who voted for a comparable bill did not believe the charge of socialism. The many distinguished newspapers throughout the country who support the bill do not believe it is socialistic. The American Legion, the Veterans of Foreign Wars, the American Veterans of World War II, the American Veterans' Committee, the Disabled American Veterans, the Jewish War Veterans, the Catholic War Veterans—all of them have seen through the charge of socialism and support the bill. So do the American Municipal Association and the United States Conference of Mayors. The American Federation of Labor and the Congress of Industrial Organizations support the bill. So do the National Conference of Catholic Charities and the Congregational Christian Churches. So do the League of Women Voters, the National Council of Negro Women, the National Council of Catholic Women and the National Council of Jewish Women. So do the National Grange and the National Farmers Union. And so do the many other outstanding organizations and individuals who have testified that this legislation is necessary in the public interest.

Yet the real-estate lobby, shortsighted and utterly selfish, continues to cry "socialism" in a last effort to smother the real facts and real issues which this bill is designed to meet.

These attempts to mislead and frighten the people and their representatives in the Congress—these false claims designed to prejudice some groups of people against others—these malicious and willful appeals to ignorance and selfishness—are examples of selfish propaganda at its worst.

But I do not believe the people of our country, nor their representatives in the Congress, will permit themselves to be deceived. The facts speak for themselves. The people know that the country needs a full-scale program to provide decent housing for low-income families, to eliminate slums, and to improve housing standards for the great bulk of the people.

This bill presents such a program—a practical and tested program. It is not, as some would have you believe, some new and foreign program to be fastened upon the backs of our people against their will. A similar program was authorized under the United States Housing Act of 1937. That program was carried out successfully and was widely accepted by the people. Projects were built in 268 cities and towns, located in 37 States, the District of Columbia, Puerto Rico, the Virgin Islands and Hawaii. Some of these projects were, of course, located in the largest cities, since the need there was serious. But projects were also built in such cities and towns as Lakeland, Fla.; Peoria, Ill.; Holyoke, Mass.; Portland, Oreg.; Knoxville, Tenn.; and Brownsville, Tex., where the need was also serious. Of the 268 cities and towns in which public-housing projects were built, 104—39 percent—had less than 25,000 population in 1940.

When the war ended, applications for public-housing projects were received from 357 towns and cities, in 37 States, even though the existing authorization for Federal assistance was exhausted. At present, 42 States have enacted legislation providing for the establishment of local housing authorities. More than 470 such authorities have been established. They are waiting for the enactment of this bill.

It is dramatically apparent from the vast public support for H. R. 4009 that the people know that this bill is a part of the long-range effort we must make to build toward a stronger economy, an increasing prosperity, and a happier and more secure citizenry in the United States.

I feel confident that the enactment of this legislation will greatly promote the general welfare. It will also prove of real benefit to those real-estate interests that now oppose its enactment. To strengthen the whole fabric of our American society is to strengthen all its several parts.

Very sincerely yours,

HARRY TRUMAN.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KEARNS (at the request of Mr. GRAHAM) indefinitely, on account of serious illness in his immediate family.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 593. An act for the relief of Hampton Institute;

H. R. 650. An act for the relief of George A. Kirchberger;

H. R. 716. An act for the relief of Mark H. Potter;

H. R. 717. An act for the relief of Groover O'Connell;

H. R. 735. An act for the relief of Phil H. Hubbard;

H. R. 1123. An act for the relief of Mrs. Florence Mayfield;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 1837. An act to amend the Nationality Act of 1940;

H. R. 1858. An act for the relief of the legal guardian of John Waipa Wilson;

H. R. 1981. An act for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan;

H. R. 2078. An act for the relief of Winston A. Brownie;

H. R. 2353. An act for the relief of Joel W. Atkinson;

H. R. 3311. An act for the relief of Carmen Morales, Aida Morales, and Lydia Cortes;

H. R. 3324. An act for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3603. An act for the relief of Michael Palazotta;

H. R. 3992. An act for the relief of J. L. Hitt;

H. R. 4332. An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes;

H. R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy;

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; and

H. J. Res. 276. Joint resolution granting certain extensions of time fo tax purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Friday, June 24, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

710. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $50,000 for the Commission on Renovation of the Executive Mansion (H. Doc. No. 237); to the Committee on Appropriations and ordered to be printed.

711. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to discontinue quarterly reports to the Congress under the Contract Settlement Act of 1944"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KERR: Committee on Appropriations. H. R. 5300. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; without amendment (Rept. No. 879). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITAKER: Committee on Post Office and Civil Service. H. R. 3383. A bill to

amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945; with an amendment (Rept. No. 883). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOGARTY: Committee of conference. H. R. 3333. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies (Rept. No. 892). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 237. Resolution providing for expenses of conducting studies and investigations authorized by House Resolution 206; without amendment (Rept. No. 893). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration, House Resolution 210. Resolution to provide funds for the expenses of the studies and investigations authorized by House Resolution 112; with an amendment (Rept. No. 894). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 233. Resolution authorizing expenses of conducting investigation of certain matters pertaining to the merchant marine and fisheries of the United States; with an amendment (Rept. No. 895). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. H. R. 2290. A bill to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams; with an amendment (Rept. No. 896). Referred to the Committee of the Whole House on the State of the Union.

Mrs. NORTON: Committee on House Administration. House Joint Resolution 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar; with an amendment (Rept. No. 897). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 264. Resolution for consideration of H. R. 858, a bill to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended; without amendment (Rept. No. 898). Referred to the House Calendar.

Mr. WHITTEN: Committee of conference. H. R. 3997. A bill making appropriations for the Department of Agriculture (Rept. No. 899). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on the Judiciary. H. R. 2344. A bill for the relief of Charles W. Miles; with an amendment (Rept. No. 880). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 2608. A bill for the relief of C. H. Dutton Co., of Kalamazoo, Mich.; without amendment (Rept. No. 881). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 3618. A bill for the relief of the estate of Mrs. Frances M. Carroll, deceased, and Charles P. Carroll; with an amendment (Rept. No. 882). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 113. An act for the relief of Helen Louise Oles; without amendment (Rept. No. 884). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 275. An act for the relief of Arthur C. Jones; without amendment (Rept. No. 885). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 322. An act for the relief of Mrs. Gertrude H. Westaway, legal guardian of Bobby Niles Johnson, a minor; without amendment (Rept. No. 886). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 623. An act for the relief of George Krinopolis; without amendment (Rept. No. 887). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1138. An act for the relief of John W. Crumpacker, commander, United States Navy; without amendment (Rept. No. 888). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1167. An act for the relief of the estate of Marion Miller; without amendment (Rept. No. 889). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1266. An act for the relief of Hayward O. Brandon; without amendment (Rept. No. 890). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1296. An act for the relief of Murphy & Wischmeyer; without amendment (Rept. No. 891). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KERR:

H. R. 5300. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; to the Committee on Appropriations.

By Mr. CELLER:

H. R. 5301. A bill to amend title 28, United States Code; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 5302. A bill to require United States Civil Service Commission to establish regional office for State of Michigan at Detroit, Mich.; to the Committee on Post Office and Civil Service.

By Mr. WOODRUFF:

H. R. 5303. A bill to amend section 2000 (c) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products; to the Committee on Ways and Means.

H. R. 5304. A bill to amend section 2000 (a) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 5305. A bill to increase the retired pay of certain members of the former Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. CROSSER:

H. R. 5306. A bill to amend section 12 of the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. JACKSON of Washington:

H. R. 5307. A bill to provide for conveyance of certain real property to Skagit County, Wash.; to the Committee on Agriculture.

By Mr. LEMKE:

H. R. 5308. A bill to prohibit Members of Congress from serving the United States in any other capacity; to the Committee on the Judiciary.

H. R. 5309. A bill to include consequential damages as part of just compensation in taking private farm property for public use; to the Committee on the Judiciary.

By Mr. PHILLIPS of California;

H. R. 5310. A bill to confer jurisdiction on the State of California over the lands and residents of the Agua Caliente Indian Reservation in said State, and for other purposes; to the Committee on Public Lands.

By Mr. WHEELER:

H. R. 5311. A bill to establish a procedure by which the Administrator of Veterans' Affairs may bring charges against educational institutions and by which procedure the educational institutions may answer such charges before an impartial agency, and to authorize the Veterans' Administration to reimburse State approval agencies for expenses incurred by them in ascertaining the qualifications of educational institutions for furnishing training to veterans and for expenses incurred in supervising educational institutions offering such training; to the Committee on Veterans' Affairs.

By Mr. ALLEN of Louisiana:

H. R. 5312. A bill to amend the Mineral Leasing Act for Acquired Lands (61 Stat. 913) to provide for competitive bidding on oil and gas leases issued thereunder where a competitive interest in leasing is evident; to the Committee on Public Lands.

By Mr. DEANE:

H. R. 5313. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. VINSON:

H. R. 5314. A bill to repeal section 205 of title II of the Foreign Aid Appropriation Act, 1949, and for other purposes; to the Committee on Armed Services.

By Mr. WHITE of Idaho:

H. R. 5315. A bill to advance knowledge on the history and culture of the American Indian through the acquisition and preservation of irreplaceable artifacts and relics; to the Committee on Public Lands.

By Mr. DURHAM (by request):

H. R. 5316. A bill to authorize the Commissioners of the District of Columbia to enter into contract for the removal of sludge; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FRAZIER:

H. R. 5317. A bill for the relief of W. Garland Lillard; to the Committee on the Judiciary.

By Mr. JOHNSON:

H. R. 5318. A bill for the relief of Yvon R. Heldenbergh; to the Committee on the Judiciary.

By Mrs. NORTON:

H. R. 5319. A bill granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1137. By Mr. JUDD: Petition in support of the Bryson bill, H. R. 2428, and a Senate counterpart of that measure; to the Committee on Interstate and Foreign Commerce.

1138. By the SPEAKER: Petition of American Academy of General Practice, Kansas City, Mo., against any form of compulsory Federal health insurance; to the Committee on Interstate and Foreign Commerce.

1139. Also, petition of Emmett Arthur Hinkelman, Chicago, Ill., urging legislation to allow the sending of educational books and magazines postage free to students, institutions of learning, and public libraries in the Marshall-plan countries; to the Committee on Post Office and Civil Service.

1140. Also, petition of William H. Elliott and others, San Francisco, Calif., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1141. Also, petition of Mabel Mattly and others, Stockton, Calif., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1142. Also, petition of P. F. Wichmann and others, La Fayette, Ind., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1143. Also, petition of Lon Donnell and others, Hutchinson, Kans., requesting passags of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1144. Also, petition of Mrs. Mary Smith and others, Milwaukee, Wis., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1145. Also, petition of Josephine Heverling and others, Seattle, Wash., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1146. Also, petition of Mrs. Mildred Cole and others, Tacoma, Wash., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1147. Also, petition of Mrs. E. O. Johnson and others, Cassadaga, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1148. Also, petition of Mrs. Dorothea Graves and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1149. Also, petition of Mrs. Ella Zeigler and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

FRIDAY, JUNE 24, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, hushing our thoughts to stillness, we would school our spirits in sincerity and truth as we wait before Thee, who knowest the secrets of our hearts. In a world of suspense and suspicion and turmoil, breathe now in this quiet moment Thy peace on hearts that pray—the peace that comes only when our jarring discords are tuned to the music of Thy will.

Then, as heralds of good will, send us forth across all the barriers of race and creed, to make our contribution to the glad day when justice and understanding shall engirdle this worn and weary earth.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 23, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 23, 1949, the President had approved and signed the joint resolution (S. J. Res. 55) to print the monthly publication entitled "Economic Indicators."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, education, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams;

H. R. 5240. An act to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products; and

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Miller
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Hunt	Murray
Bricker	Ives	Myers
Bridges	Jenner	Neely
Butler	Johnson, Colo.	Pepper
Capehart	Johnson, Tex.	Reed
Chapman	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Taft
Downey	Langer	Taylor
Eastland	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tydings
Fulbright	McClellan	Watkins
George	McFarland	Wiley
Gillette	McGrath	Williams
Graham	McKellar	Withers
Green	Magnuson	Young
Hayden	Martin	
Hendrickson	Maybank	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. HILL], the Senator from Louisiana [Mr. LONG], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Oklahoma [Mr. THOMAS] are absent on official business in meetings of committees of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, meeting at Rome, Italy.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. TAFT. I announce that the Senator from Montana [Mr. ECTON], the Senator from Nevada [Mr. MALONE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from South Dakota [Mr. GURNEY], and the Senator from Massachusetts [Mr. LODGE] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to introduce bills and joint resolutions, and present for the RECORD petitions and memorials and other routine matters, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Dis-